

Office of the Inspector General

Semiannual Report to Congress

April 1, 1995 - September 30, 1995



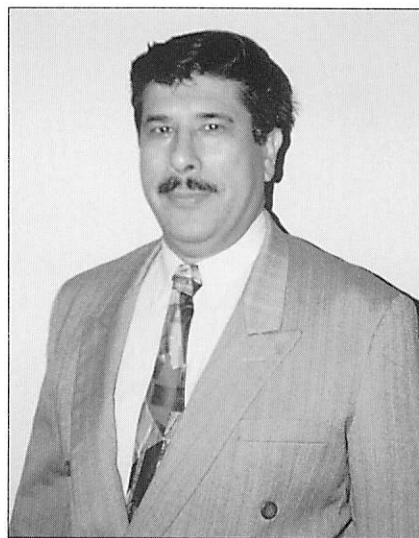
Special Tribute

The Office of the Inspector General (OIG) depends upon the assistance of other Department of Justice components and employees for its successes. We would like to take this opportunity to honor a Department employee who has had a special impact on our work.

Edward V. Urbalejo
Automation Clerk
Immigration and Naturalization Service



Edward V. Urbalejo, while serving as a GS-4 Immigration and Naturalization Service automation clerk at the Calexico Port of Entry in California, informed the OIG of a bribe attempt that led to the seizure of 309.5 kilograms of cocaine valued at more than \$5 million, recovery of over \$20,000 in bribe monies, and arrest and conviction of three drug traffickers.



The investigation began when Mr. Urbalejo reported a bribe offer in exchange for helping to smuggle aliens across the U.S.-Mexico border. Under the direction of the OIG, Mr. Urbalejo posed as a corrupt official and met with the conspirators, who wanted to smuggle drugs rather than aliens through the U.S. Port of Entry. Three drug traffickers were convicted on charges of bribery and the importation and possession of cocaine. Two of the drug traffickers were sentenced to eight and ten years in prison, respectively, and to five years probation. Judicial action continues on the third drug trafficker, and a fourth is a fugitive.

Mr. Urbalejo's personal courage, integrity, and dedication to duty reflect the highest standards of the Department of Justice and the Immigration and Naturalization Service.



U.S. Department of Justice

Office of the Inspector General

October 31, 1995

Honorable Janet Reno
Attorney General
Washington, D.C. 20530

Dear Madam Attorney General:

This is the third semiannual report submitted since I became Inspector General in June 1994. The period covered in this report reflects an enormously productive and busy period for the Office of the Inspector General.

During this period, we have undertaken some of the most sensitive and important investigations ever conducted by any Inspector General. On September 30, the close of this reporting period, we still had active inquiries involving: (1) the FBI's performance in the Aldrich Ames affair; (2) the off-duty conduct of Department of Justice personnel in the Good Ol' Boys Roundup; (3) the investigation of claims that management officials within INS deceived the Congressional Task Force on Immigration Reform; and (4) the investigation of claims that the work of the FBI laboratory has been tainted by the willful misconduct of officials within the lab, resulting in lab results slanted in favor of prosecutors. In addition, we completed in August a thorough investigation into the Department's review of certain highly-publicized crimes of violence against United States citizens in Guatemala.

We have allocated resources that reflect the importance of these matters to the Department, the Congress, and the American people. Even so, we have needed the help of other Department components in taking on this many special inquiries at once. I wish to thank the Director of the FBI and the U.S. Attorneys' Offices for the Southern District of New York, the District of Columbia, the Middle District of Florida, the Northern District of Illinois, and the District of Arizona, as well as the Fraud Section of the Criminal Division, for having provided us with some of their most talented personnel for these important projects. I also wish to thank the Executive Office for U.S. Attorneys for having helped us locate outstanding lawyers for these special investigations.

The cruel irony is that at the very time when we are busy with so many important matters, the demand for our services generally is at an all-time high, and the number of Department personnel subject to our oversight is growing, we face the prospect of serious cuts to our budget. Although our budget situation is uncertain, it is at least clear that we will not see the augmentation of our resources that I believe is necessary for us to do all of the important things we should be doing.

I appreciate the consistent support we have received from you and from other top managers in the Department. It is clear to me that you appreciate the important work that we do and recognize that we play an important role in the life of this Department. We look forward to continuing to work with you towards our shared goals of a better, fairer, more efficient, and more effective Department of Justice.

Very truly yours,

A handwritten signature in black ink, appearing to read "Michael R. Bromwich".

Michael R. Bromwich
Inspector General

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By Act of Congress, the Office of the Inspector General (OIG) was established in the Department of Justice (DOJ) on April 14, 1989. The OIG provides leadership and assists management in promoting integrity, economy, efficiency, and effectiveness within DOJ and in its financial, contractual, and grant relationships with others. The OIG investigates alleged violations of criminal and civil laws, regulations, and ethical standards arising from the conduct of the Department's employees and its numerous and diverse activities. Also by statute, the OIG must report to the Attorney General, the public, and Congress on a semi-annual basis regarding the significant work of the office.

The OIG carries out its mission with a workforce of approximately 400 criminal investigators, auditors, inspectors, and support staff. The auditors are located in offices in Washington, D.C., Atlanta, Philadelphia, Chicago, Dallas, Denver, and San Francisco.

OIG criminal investigators are assigned to offices in New York, Washington, D.C., Atlanta, Miami, Chicago, Dallas, El Paso, McAllen, Tucson, Colorado Springs, San Diego, Los Angeles, San Francisco, and Seattle.

Other components of the OIG — the Inspections Division, the Management and Planning Division, the Office of General Counsel, and the Special Investigations and Review Unit — are located in Washington, D.C.

The OIG's Fiscal Year (FY) 1996 appropriation request is for \$36,744,000 and 376 permanent positions. In addition, the OIG expects to receive reimbursements from other components that will cover an additional 30 positions.

STAFFING & BUDGET



PRIORITY INVESTIGATIONS

Several OIG investigations are of significant interest to the American public and of vital importance to the Department. The Attorney General and the Deputy Attorney General receive regular updates. To ensure timely completion of these investigations, approximately 20 percent of the Investigations Division's special agent workforce and a number of Audit and Inspections Divisions staff were assigned to task forces working on these cases. Also participating on these task forces were Assistant United States Attorneys from across the country. The following two pages highlight the various task forces in which the OIG took part.

HIGHLIGHTS

The Washington Times Tuesday, August 2, 1994

FBI not alerted to clues on Ames for three years

THE WASHINGTON POST MONDAY, MAY 30, 1994

Exact Date of Betrayal By Spy Troubles FBI

Ames: At the request of the House Permanent Select Committee on Intelligence, the OIG has undertaken a comprehensive review of the FBI's counterintelligence efforts in the identification and apprehension of Aldrich Ames. This request followed a review by the Central Intelligence Agency (CIA) Inspector General which concluded that the CIA had overlooked many signs that should have led to Ames' capture at an earlier date.

The purpose of the OIG review is to determine whether the Federal Bureau of Investigation (FBI) took the appropriate steps to determine why FBI intelligence assets were compromised. The OIG team has been led by an Assistant United States Attorney (AUSA) on detail to the OIG and staffed by investigators and support personnel from the Special Investigations and Review Unit and the Investigations Division, as well as agents detailed from the FBI who are assisting in the OIG's work.

THE NEW YORK TIMES, FRIDAY, MARCH 31, 1995

Clinton Orders Wide Review Of U.S. Activity in Guatemala

Guatemala: At the request of Congress, the President's Intelligence Oversight Board, and the Deputy Attorney General, the OIG reviewed the Department's knowledge and handling of information about certain crimes of violence against United States citizens in Guatemala, culminating in a lengthy report. Inspector General Bromwich also testified before the House and Senate intelligence committees on the OIG's report, which at this time remains classified as "secret."

As a result of the OIG's review, the Deputy Attorney General established new procedures for the Department's handling and tracking of crime reports that it receives from intelligence agencies. DOJ is also developing a new system for tracking classified documents received from other agencies.

FRIDAY, JULY 14, 1995, THE HERALD

An INS Potemkin Village?

THE WASHINGTON POST THURSDAY, JULY 4, 1995

INS Accused Of Misleading Hill Task Force

Miami INS: At the request of the Attorney General and the Chairman of the Congressional Task Force on Immigration Reform, the OIG is conducting an investigation into complaints that the Immigration and Naturalization Service's (INS) senior management at the Miami District Office had created a false picture of conditions at the Miami International Airport and the Krome Detention Facility when the Congressional Task Force visited these facilities in June 1995. Allegedly, INS senior management prematurely paroled detainees, brought in additional staff to work overtime, and provided disinformation to the visiting Congressional delegation.

Investigators begin probe of local immigration officials

Led by a senior OIG agent and an AUSA on detail, the OIG team included investigators and auditors from field offices across the country, who have interviewed more than 300 persons and analyzed staffing and detainee trends. The OIG will issue a report to the Attorney General and Congress.

Roundup: In July 1995, widely publicized media stories reported allegations of racist activities by off-duty federal law enforcement officers of the Bureau of Alcohol, Tobacco, and Firearms at an annual gathering known as the Good Ol' Boys Roundup. The OIG immediately initiated an investigation to determine whether DOJ personnel had participated in any Roundups and, if so, whether they had engaged in any racist behavior.

Led by two AUSAs on detail, the investigative team drew upon the diverse talents within the OIG. Special agents from four Investigations field offices conducted hundreds of interviews of State and Federal law enforcement officers and retirees. OIG inspectors conducted a telephone survey of several hundred persons who attended Roundups. Technical assistance from the Audit Division enabled the OIG team to establish a computer database to sort and process the information. The FBI also detailed two persons to assist the OIG and has analyzed videographic evidence.

FBI Lab: After an OIG audit of the FBI laboratory revealed safety and quality control deficiencies, the OIG began receiving complaints from an FBI employee of further problems within the laboratory. The OIG and FBI's Office of Professional Responsibility began to separately investigate these complaints. As the complaints became more specific, the Inspector General concluded that a completely independent assessment of the laboratory needed to be made. Pursuant to a 1994 Order issued by the Attorney General, Inspector General Bromwich recommended that the OIG alone investigate the complainant's allegations. The Deputy Attorney General and the Director of the FBI agreed.

The OIG team investigating these allegations includes four experienced prosecutors on detail to the OIG and a group of investigators and auditors. The OIG has also enlisted five internationally recognized scientists with a range of expertise as consultants to assist the team conducting the inquiry.

Additional Cases: In addition to these cases, the OIG initiated investigations into allegations made against presidential appointees. We anticipate that these cases will be resolved within the next reporting period.

THE NEW YORK TIMES, THURSDAY, JULY 20, 1995
Clinton Assails Officers' Racist Event

**Senate Hears
Testimony
On Parties
And Racism**

**Questions Raised on Report
Of Agents at Racist Outing**

THE WASHINGTON POST THURSDAY, JULY 20, 1995
**Ex-Agent Says Militia Distorts
Racist Acts at 'Roundups'**

FBI Crime Laboratory Being Probed

THE NEW YORK TIMES, FRIDAY, SEPTEMBER 15, 1995
**F.B.I. Chemist
Says Experts
Are Pressured
To Skew Tests**

**Bid to Call FBI Whistle-Blower
In Simpson Trial Denied by Ito**

**FBI Lab Audit
Finds Some
Discrepancies**

"The inspector general review found problems with the lab's management of evidence."

INITIATIVES**CIVIL RIGHTS**

The Attorney General (AG) and the Department place a significant emphasis on the preservation and protection of individuals' civil rights. The initiatives below represent the OIG's recent contributions to this area.

- At the request of the Deputy Attorney General (DAG), the Inspector General and representatives of the Investigations Division met with the DAG and representatives of the Civil Rights Division, INS, and FBI to review how civil rights allegations involving INS employees, particularly those assigned to positions along the Southwest Border, are handled in the Department. The goals of the meeting were to ensure appropriate oversight of civil rights matters and accountability within the process. The Investigations Division subsequently developed a monthly report to track the status of all DOJ civil rights investigations involving INS personnel for the AG, DAG, and the component involved in the process.
- On April 12, 1995, Investigations Division personnel represented the OIG at the first meeting of the INS Citizens' Advisory Panel. They presented an overview of the Division's responsibilities and the method by which civil rights complaints are received and processed by the OIG. In addition, two Division representatives attended the Panel's second meeting in July.

THE CRIME ACT

The Violent Crime Control and Law Enforcement Act of 1994 (Crime Act) substantially increased the number and dollar amounts of DOJ law enforcement grants to communities across the country. The OIG has committed its resources, personnel, and diverse capabilities to improving the operation of the grant programs created by the Crime Act. Specific OIG activities undertaken during this reporting period to assist the DOJ in meeting the Act's huge challenges are cited below.

- OIG staff continued to work with the Office of Community Oriented Policing Services (COPS) in its implementation of the Crime Act. We performed 31 reviews of selected grant applicants under the COPS AHEAD, COPS FAST, and COPS MORE programs to determine the accuracy, completeness, and adequacy of documentation of the grant applications. We completed five investigations addressing allegations of fraud and misrepresentation with respect to COPS grant applicants and recipients. We also reviewed whether community groups and appropriate public and private agencies were consulted in the formulation of applications and whether problems existed that might impede successful grant implementation.
- OIG staff also coordinated with the Office of Justice Programs (OJP) to further define the OIG's role with respect to Crime Act-related grants. In FY 1996, the OIG will conduct preaward reviews of applicants seeking grants from the Violent Offender Incarceration Grant and the Truth in Sentencing Incentive Grant Programs. The OIG will continue to receive referrals from OJP concerning grant applicants and grant recipients identified for specific OIG attention.

NATIONAL PERFORMANCE REVIEW

INITIATIVES

The OIG continued several initiatives that support the National Performance Review (NPR) and related legislation that seeks to improve and streamline government.

Customer Service: Throughout FY 1995, the OIG actively sought to improve customer satisfaction with its work and conducted the following activities during this semiannual period.

- The Inspections Division conducted a written survey to obtain information regarding its delivery of service and how it can enhance the effectiveness of future work products. Early indications show high marks for work performed in FY 1995. Once the information is tabulated, frontline employees will be briefed on the results, and the means by which the Division conducts its work and coordinates with DOJ components will be assessed.
- The Audit Division conducted customer satisfaction surveys of Department components. The results showed improved levels of customer satisfaction from previous surveys.
- The Investigations Division developed a new category of allegations that will allow the Bureau of Prisons (BOP) automatically to initiate appropriate reviews. These allegations consist of complaints about agency policy, poor service to clients, personnel grievances, and similar management issues that raise significant concern but do not require the OIG to open a criminal investigation. A transmittal process is being developed that will allow electronic transfer from BOP's Office of Internal Affairs' data base to the OIG Investigations Division's data base. Based on previous experience with BOP, we expect the new allegation program to work well.

Partnering: The OIG continues to engage in extensive outreach to Department components and program managers to offer services and assistance different from our traditional audits and inspections. These activities are cooperative and collegial and reflect an effort to share information, insights, and resources to improve Department programs and activities. The following illustrate these initiatives.

- The Audit Division, because of its extensive activity in auditing Department aviation activities, participated as a nonvoting member on the Aviation Policy Working Group (APWG). The APWG was established by the DAG and reports to the Office of Investigative Agency Policies (OIAP) on establishing and coordinating the Department's aviation policy. The primary APWG activities during this reporting period were the merger of aviation operations for the United States Marshals Service's (USMS) and INS' Deportation and Detention programs, the development of a common minimum standard for aviation training for all components, and a study of the feasibility of components jointly using maintenance facilities. Although the OIG's audit activities concerning aviation are concluding, we will continue to participate as needed to benefit the program and provide oversight.

INITIATIVES

- Inspectors participated in INS' Growth Management Working Group by providing technical advice to INS personnel based on insights developed through an inspection of INS' ability to manage the large influx of new border patrol agents requested in FY 1996.
- The Audit Division developed a statement of work and initiated a contracting action for accounting and audit services to implement the Departmentwide audit initiative. This contract, once awarded, will be available to other Department components for their use when they need contractor support in financial management or audit areas.
- An Inspections Division's senior member is representing the OIG on the newly created Department of Justice Research Council. The Attorney General requested that the Council identify effective strategies that allow Department policymakers to identify quickly Departmentwide research activities.
- Members of the Investigations Division and Office of General Counsel have worked with the OIAP to develop uniform DOJ policies on the use of deadly force, allocation of radio frequencies, shooting review procedures, and other issues.
- An inspector continued his detail to the Justice Performance Review (JPR) Team. He serves as a JPR liaison and works with several Department liaisons responsible for coordinating NPR initiatives with innovation teams and the JPR oversight managers.

Integrity Awareness: In addition to responding swiftly to misconduct allegations, the OIG believes additional benefits can result from an effort to educate and deter employees from engaging in misconduct. To educate DOJ employees on ethics, the consequences of misconduct, and the preservation of the public trust, OIG agents continued conducting integrity awareness briefings, reaching 712 DOJ employees at 29 different events.

Strategic Planning: The Audit Division developed and published a strategic plan during FY 1995. The strategic plan sets the framework for the development of annual work plans and is built on many years of considering how to effectively project audit resources to the high priority areas of the Department.

PRESIDENT'S COUNCIL ON INTEGRITY AND EFFICIENCY***OTHER
ACTIVITIES***

The Inspector General is a member of the President's Council on Integrity and Efficiency (PCIE). Senior OIG staff participate in PCIE activities that relate to their respective duties. Such activities include the Inspections and Evaluations Round Table, an annual investigations conference, and meetings of the Chief Financial Officers Group. The Inspector General also is a member of the Professional Development Committee.

During the past six months, the OIG continued to participate in the PCIE Inspections and Evaluations Round Table and its subcommittee on the Inspector General Network — IGMNET, served on the PCIE Working Group on Reinventing External Peer Reviews, and participated in a PCIE Inspections and Evaluation survey. The Inspections and Evaluation Round Table Committee tabulated and analyzed the survey results and issued a report describing the significant contributions made by inspection and evaluation units in the Federal Government. The OIG also reviewed and provided input to the PCIE report "Coordinated Review of Federal Credit Management and Nontax Debt Collection Issues." This report was provided to the Office of the DAG and the Justice Management Division.

REVIEW OF LEGISLATION AND REGULATIONS

The Inspector General Act of 1978, as amended, directs the Inspector General to review proposed legislation and regulations relating to the programs and operations of the Department. Although the Department's Office of Legislative Affairs reviews all proposed or enacted legislation that could affect the Department's activities, the OIG independently reviews proposed legislation regarding the OIG itself or fraud, waste, and abuse in the Department's programs or operations. During the reporting period, the OIG reviewed 17 pieces of proposed legislation and assisted the Department in preparing the AG's testimony for oversight hearings before the U.S. Senate Committee on the Judiciary June 27, 1995.

HIGH RISK AREAS

The Department and the Office of Management and Budget have identified 10 specific DOJ activities with a high risk for fraud, waste, and abuse. During this reporting period, the OIG issued audit and inspection reports that addressed six of the high risk areas.

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.



The Investigations Division investigates alleged violations of bribery, fraud, abuse, and integrity laws that govern the Department of Justice (DOJ) and the operations it finances. The Division also develops cases for criminal prosecution or civil and/or administrative action. In some instances, the Office of the Inspector General (OIG) refers allegations to components within DOJ and requests notification of their findings and of any disciplinary action taken.

OVERVIEW & HIGHLIGHTS

During this reporting period, the 47 arrests made included 25 DOJ employees, 19 civilians, and three DOJ contractors. Prosecutive actions resulted in the sentencing of 47 individuals. Sentences ranged from two to 57 months' incarceration, two to 60 months' probation, and a 12-month suspended sentence. Fines, restitutions, and recoveries totaled \$590,145; bribe monies deposited into the U.S. Treasury totaled \$490,490. By the end of FY 1995, 119 DOJ employees and seven contractors (32 during this reporting period) received administrative actions as the result of OIG investigations. Actions ranged from dismissal to counseling, and five DOJ contractors were terminated and two resigned.

DRUGS

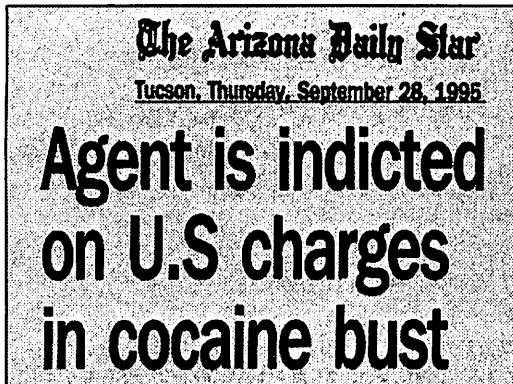
SIGNIFICANT INVESTIGATIONS

The first three cases described below are additional actions on investigations included in our last *Semiannual Report to Congress* for the reporting period October 1, 1994 - March 31, 1995.

- A former Immigration and Naturalization Service (INS) immigration inspector accepted over \$33,000 in bribe payments to allow passage of marijuana through his inspection lane at a Port of Entry between 1991 and 1993. He pled guilty to bribery and was sentenced to 57 months in prison and 36 months' probation. During this investigation, in cooperation with the Federal Bureau of Investigation (FBI) and the Organized Crime Drug Enforcement Task Force Operations-INS (OCDETF-INS), a second INS immigration inspector was arrested and charged with conspiracy to possess with intent to distribute over five kilograms of cocaine and over 2,200 pounds of marijuana. The inspector alerted the criminal organization about law enforcement inquiries and brokered narcotic transactions; he is being held without bond while awaiting trial.
- A Westchester County, New York, corrections officer was charged with bribery and attempted distribution of drugs to Federal prisoners in the facility. He accepted bribes in return for removing drug proceeds from the prison and for delivering heroin to an inmate. The officer was sentenced to 57 months in prison and five years' supervised probation.
- A case manager in a Bureau of Prisons (BOP) halfway house pled guilty to possession of cocaine with intent to distribute. He bought and sold cocaine from inmates. He was sentenced to 46 months in prison and three years of supervised probation.

**SIGNIFICANT
INVESTIGATIONS**

The following are significant investigations reported for the first time.



■ In the District of Arizona, an INS Border Patrol agent was indicted on charges of conspiracy, aiding and abetting, and importation of a controlled substance. On information provided by the U.S. Border Patrol, which had intercepted 545 kilograms of cocaine, the OIG, the Drug Enforcement Administration (DEA), and the U.S. Customs Service initiated an investigation that led to the indictment of the agent. The investigation continues.

■ In the Northern District of Georgia, a BOP corrections officer pled guilty to charges of attempting to introduce contraband into a prison and possession of a controlled substance with intent to distribute. In this joint OIG and FBI investigation, the officer accepted a package containing cocaine and attempted to smuggle it into the penitentiary for an inmate. The correctional officer was sentenced to 46 months' incarceration and two years' probation.

■ In the Northern District of Georgia, a BOP corrections officer was arrested on charges of possession with intent to distribute a controlled substance. The arrest was the result of Operation WALL WORKER, a joint OIG and FBI investigation of drug smuggling into a U.S. penitentiary. The officer was arrested with 1½ pounds of marijuana he planned to smuggle to inmates. Judicial action is pending.

BRIBERY

■ Our last *Semiannual Report to Congress* described a case in which a private immigration consultant was indicted for bribery of a public official. The consultant paid an INS clerk cooperating with the OIG \$29,000 in return for INS work permits and green cards. During this reporting period, the consultant was sentenced to 36 months in prison and fined \$3,100.

■ In the Central District of California, an INS supervisory immigration status verifier was indicted on charges of bribery. The investigation disclosed the sale of various INS documents and benefits by the supervisor through a middleman for fees ranging from \$200-\$2,500. The middleman was also arrested, pled guilty, and awaits sentencing. The INS employee awaits trial.

■ In the Central District of California, an INS special agent pled guilty to bribery. The OIG received information from an alien that he had purchased what he thought were genuine INS work and reentry documents from an INS employee. After an undercover operation identified an INS special agent as the individual who sold the documents, an undercover OIG employee purchased additional documents from the agent. The agent was sentenced to five months in prison, five months' home detention, and two years' probation.

**SIGNIFICANT
INVESTIGATIONS**

■ In the Southern District of Texas, four aliens were arrested on charges of bribery. An INS immigration inspector stationed at the Houston International Airport notified the OIG that two aliens attempting to enter the U.S. with fraudulent passports offered him a bribe to allow them entry. The aliens were videotaped giving the inspector \$3,290 in bribe monies, then arrested. While processing the arrested aliens, a third alien contacted the inspector and offered him another bribe to allow the first two entry into the country. The third individual was arrested as he offered the inspector a \$4,000 bribe. A fourth individual was also arrested; all await trial.

■ In the Eastern District of Michigan, a BOP corrections officer was arrested on charges of bribery and introduction of contraband into a prison. An investigation was initiated when an inmate alleged that a corrections officer had offered to help him escape. The officer asked for a quarter of a million dollars to aid an escape. The officer, arrested as he carried contraband into the facility, resigned during the arrest interview. Trial is pending.

■ In the Southern District of Florida, an INS detention enforcement officer and two codefendants were indicted for conspiracy to bribe a public official. Over \$8,000 in bribes was paid to a cooperating INS official to destroy criminal records, obtain lawful permanent resident status, and prepare and approve a naturalization application. Prosecution is pending.

THEFT

■ In San Diego County, California, an INS contract employee pled guilty to charges of forgery. The employee worked in an INS mail room where INS applications with money orders were received. Following a joint OIG and INS investigation, the employee confessed to stealing and cashing at least 83 money orders — estimated at over \$13,000 — submitted by aliens seeking INS benefits. The employee was terminated by the contractor and sentenced to 11 days in custody and three years' probation.

■ In the Eastern District of New York, a BOP accounting technician was arrested and charged with theft of government property. He admitted to stealing \$8,400, resigned from BOP, and agreed to a deferred prosecution and to make restitution of the full amount.

■ In the Central District of California, an INS detention enforcement officer pled guilty to theft of government monies. Although she had served as a juror for only three days, she submitted paperwork to INS for over one month's jury duty and later provided fabricated documentation to support her false claim. The officer resigned from INS and was sentenced to six months' probation and ordered to make restitution to the government in the amount of \$3,470.

SIGNIFICANT INVESTIGATIONS

- In the Eastern District of Virginia, a former DEA accounting technician assigned to DEA Headquarters pled guilty to the theft of government monies. The accountant stole \$5,000 in travel funds that had been returned to DEA via a cashiers check and \$2,423 returned to DEA from a travel agency. As part of her plea agreement, the accountant agreed to restitution of the amount stolen and awaits sentencing.
- A BOP contract employee was arrested in Arizona on charges of theft. The employee worked as a secretary for a contractor running a BOP detention facility housing detained aliens. The secretary, who stole a total of \$7,000 in INS detainee valuables and company funds, accepted deferred prosecution and made full restitution of the monies stolen. The case is being prosecuted by the Pinal County Attorney's Office in Arizona.

FRAUD

- In our September 1992 *Semiannual Report to Congress*, we first reported on Operation BYTE, which focused on a major illegal manipulation of the INS Central Index System — INS' computerized alien records system. During the current reporting period, the last two of the 11 individuals arrested were tried and convicted in Federal court in the Southern District of Florida on charges of conspiracy and visa/identification fraud. They have been sentenced to 52 and 33 months' incarceration, respectively, and each received three years' probation.

San Jose Mercury News, Tuesday, June 20, 1995

Immigration worker admits forging and selling papers

BY BILL ROMANO
Mercury News Staff Writer

Caught by hidden video cameras, a former clerk in the San Jose office of the Immigration and Naturalization Service pleaded guilty Monday to selling forged travel papers, work authorizations and passports to undoc-

\$500 to \$1,000, according to prosecutors. He also sold them through a middleman, who pleaded guilty Monday to one count of fraud.

The Inspector General's Office began investigating in March 1993 after a Mexican traveler was stopped in San Jose In-

- Our last *Semiannual Report to Congress* described a case in which an INS information officer and a middleman were charged with trafficking in fraudulent documents. The documents were sold for up to \$1,000 each. During this reporting period, the information officer was sentenced to 12 months' incarceration and 24 months' probation and the middleman to six months' probation and fined \$2,750.

- Our last *Semiannual Report to Congress* described a case in which two former INS special agents and three middlemen pled guilty to conspiracy to obtain immigration documents by fraud. From 1988 until 1993, ineligible Polish nationals were able to obtain INS work documents by paying up to \$10,000 per document. During this reporting period, the conspirators were sentenced. Sentences ranged from 18 months' probation to 14 months in prison and up to one year of community service. They each were ordered to pay up to \$2,340 for the cost of supervised probation.

**SIGNIFICANT
INVESTIGATIONS**

■ In the Central District of California, an INS supervisory cashier clerk was indicted on charges of bribery and document fraud. A lengthy undercover operation revealed that the clerk sold INS benefits out of her residence. A search warrant executed at the residence produced numerous document-making instruments, blank INS employment authorization documents, security inks, and stolen INS money orders, which had been submitted to INS as application fees. A middleman also was indicted on charges of document and bank fraud. The middleman bribed the clerk in return for INS documents, was involved in the production of counterfeit payroll checks from various companies and hospitals, and cashed checks worth over \$36,000. The clerk awaits trial, while the middleman remains in custody pending further judicial action.

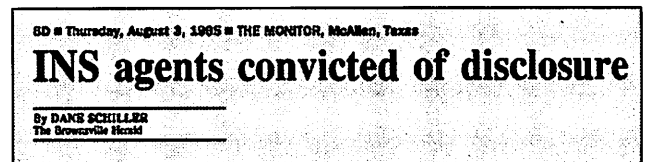
■ In the Northern District of California, a joint OIG and Department of Labor OIG investigation resulted in the Office of Worker's Compensation Programs (OWCP) issuing a \$39,741 assessment against a former law enforcement community coordinator for the U.S. Attorney's office. The coordinator, off work and receiving worker compensation benefits as the result of an automobile accident, had failed to report outside employment and income for two years. OWCP is reviewing the coordinator's status for termination of further benefits.

SEXUAL ABUSE

■ In the Southern District of Texas, a BOP correctional officer pled guilty to sexual abuse of an inmate. During this lengthy investigation, OIG agents located numerous female inmates who had been subjected to sexual advances by the officer. The officer was sentenced to 18 months' incarceration and one year of supervised probation and ordered to pay a \$1,000 fine.

UNAUTHORIZED DISCLOSURE

■ In the Southern District of Texas, two INS inspectors were tried and convicted in Federal court on charges of unlawful disclosure of confidential information. The U.S. Customs Service informed the OIG that an INS immigration inspector, who previously assisted in a joint OIG and U.S. Customs Service narcotics investigation, discovered that the target of the investigation was the boyfriend of another INS inspector. The inspector released the confidential information to the other inspector, who in turn advised her boyfriend, thus compromising the entire investigation. Sentencing is scheduled for October 1995.



**SIGNIFICANT
INVESTIGATIONS****ALIEN SMUGGLING**

■ In the Eastern District of New York, an INS immigration inspector stationed at John F. Kennedy International Airport was arrested on charges of alien smuggling, bribery, and conspiracy. The inspector facilitated the entry of a previously deported felon who was the subject of a law enforcement lookout. After his arrest, the felon admitted that reentry into the country was facilitated by the inspector who was to receive \$5,000. Judicial action continues.

MISCONDUCT

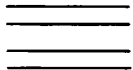
■ Our last *Semiannual Report to Congress* described a case in which the former acting director of the Department's Office for Victims of Crime pled guilty to financial conflict of interest. She failed to recuse herself from decisions regarding a National Institute of Justice grantee with which she was actively seeking employment. During this reporting period, she was sentenced to one year of probation and 100 hours of community service.

Source of Allegations Received	
---Hotline (telephone and mail)	527
---Other sources	2,526
TOTAL Allegations Received	3,053
Disposition of Total Allegations Received	
---Preliminary investigations in progress 9/30/95	153
---Investigations initiated this period	131
---Referred to DOJ component and monitored	226
---Management issues within and outside DOJ	2,056
---No action required	446
---Consolidated with another allegation in a category above	39
---Pending disposition	2
TOTAL	3,053

Preliminary Investigative Caseload

A preliminary investigation is an initial review of an allegation that appears to have limited information upon which to proceed. These investigations are conducted to clarify complaints and determine whether to conduct a full investigation.

Reclassified to full investigation	140
Consolidated with another allegation	6
No further action required	160
Returned to DOJ component as management issue	72
Referred to DOJ component and monitored	10
Preliminary investigations in progress as of 09/30/95	153


**INVESTIGATIONS
STATISTICS**

<i>Investigative Caseload</i>	
<i>Investigations opened this period*</i>	196
<i>Investigations closed this period</i>	175
<i>Investigations in progress as of 09/30/95</i>	372

**This count includes preliminaries reclassified to investigations.*

<i>OIG Monitored Referrals</i>	
<i>Cases opened this period</i>	297
<i>Cases closed or reclassified/consolidated</i>	198
<i>Monitored referrals in progress as of 9/30/95</i>	672

Prosecutive Actions	
<i>Investigations referred for prosecution this period</i>	94
<i>--- Investigations accepted</i>	44
<i>--- Prosecutions declined</i>	62
<i>--- Pending acceptance for prosecution*</i>	19
Criminal Indictments/Informations	57
Arrests	47
Convictions	43

**Many of these investigations have been awaiting a prosecutorial decision for more than one reporting period.*

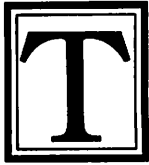
Monetary Results	
<i>Fines/Restitutions/Recoveries</i>	\$590,195
<i>Seizures</i>	\$137,494
<i>Bribe monies deposited to the Treasury*</i>	\$490,490

**This information is reported for the first time and includes monies deposited in FY 1994.*

THE AUDIT DIVISION



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



The Audit Division is responsible for independent reviews of Department of Justice (DOJ) organizations, programs, functions, automated data processing systems, and financial statement audits. The Audit Division also conducts or reviews the conduct of external audits of expenditures made under DOJ contracts, grants, and other agreements. Audits are conducted in accordance with the Comptroller General's Government Auditing Standards and related professional auditing standards. The Audit Division produces a wide variety of audit products designed to provide timely notification of Department management of issues needing attention. It also assists the Investigations Division in complex fraud cases.

During this period, the Audit Division issued 18 Internal Audits covering almost \$1.8 billion, 26 External Audits covering over \$20 million, 194 Trustee Audits covering over \$23 million, and 107 Single Audit Act Audits encompassing about \$341 million. We issued six Management Information Memoranda, three Technical Assistance Memoranda, and three Notifications of Irregularity. In addition, Department management agreed with \$1,430,865 in questioned costs, agreed to implement 212 management improvement recommendations, and agreed that \$10,743,458 in funds be put to better use.

INS SELECT ENFORCEMENT ACTIVITIES

The Immigration and Naturalization Service (INS) operates numerous enforcement programs intended to prevent illegal entry of aliens into the United States and to apprehend and deport those illegal aliens already here. Our audit focused on three select enforcement activities directly related to illegal aliens residing in the United States: the Institutional Hearing Program (IHP), criminal alien fugitives, and the Employer Sanctions Program.

We found that INS does not fully utilize the IHP to remove criminal aliens upon completion of time served in State prisons. In the seven states with the highest number of incarcerated criminal aliens, there were backlogs of approximately 8,000 foreign-born inmates requiring interviews and processing by INS agents. A substantial number of foreign-born inmates pass through state intake facilities without being interviewed by INS agents. As a result, INS incurred additional processing and detention costs for those deportable criminal aliens released from State prisons into INS custody without going through the IHP process. Servicewide statistics were not consistently available, but the additional costs for California alone were estimated at \$8 million for a 2-year period.

Also, INS routinely releases apprehended aliens, some of whom are violent criminals or fugitives. Most have been released because INS lacks the capacity to detain them. To assess the criminal activity of fugitive aliens, we used data from the Federal Bureau of Investigation's National Crime Information Center and traced the criminal histories of 257 of 90,000 released fugitives. We found that the fugitives sampled had a total of 685 arrests, including many arrests for violent and drug-related crimes.

OVERVIEW & HIGHLIGHTS

SIGNIFICANT AUDIT PRODUCTS

**SIGNIFICANT
AUDIT PRODUCTS**

Finally, civil money penalties imposed on employers through the Employer Sanctions Program were routinely settled for less than half of their original amounts. During a 5-year period, INS reported serving about 10,000 Notices of Intent to Fine totaling about \$70 million, but fines included in Final Orders of Payment totaled only about \$29 million. We believe that the systematic reduction of fines undermines employer sanctions enforcement because the reduced fines could be viewed more as a cost of doing business than as a real deterrent. In addition, INS used senior grade special agents to perform routine compliance inspections of the program. If performed by nonspecial agents, INS could achieve a cost savings of about \$1 million and free special agents to pursue lead-driven investigations.

USMS INTERGOVERNMENTAL SERVICE AGREEMENTS

The United States Marshals Service (USMS) enters into Intergovernmental Service Agreements (IGAs) with State and local governments for temporary detention of Federal prisoners awaiting trial. For FY 1995, we estimated USMS had almost 1,000 IGAs to provide 5.5 million jail days at a cost of \$370 million.

At the request of USMS, we audited IGAs with Mason, Tennessee and Alameda County, California. In both audits, we determined that the local jails billed for unallowable items and that USMS paid a total of almost \$400,000 in unnecessary charges. Alameda County was also in the process of submitting a new cost proposal. We identified unallowable costs in the proposal that, if deleted from the new agreement, can save USMS \$74,000 annually.

These individual audits also prompted a separate report to USMS identifying ways to strengthen oversight and monitoring of all its jail agreements.

THE WEED AND SEED PROGRAM

The Department's management and administrative structure was suitable for implementing the Weed and Seed Program. In an attempt to assess the impact of the program, our auditors toured the sites and questioned the residents, who generally stated that they felt safer in their homes and neighborhoods as a result of the program. We evaluated crime statistics at the audited sites but found that the program's effect on crime could be determined clearly for only six sites. At those sites, crime was generally reduced in the target areas.

Seven of the 12 sites audited obtained most of their funding from the Department. They expressed significant concern about a lack of funding from other sources and the ability to continue effective program operations after Department funds cease, usually after three years of operation at each site. We questioned

about \$923,500 of about \$4 million in costs. Most costs were questioned because grantees did not strictly adhere to administrative requirements for the use of funds. We also found that the sites' quarterly progress reports were not always submitted on time. These conditions can be corrected by the grantees adhering strictly to appropriate financial and administrative requirements.

USMS REORGANIZATION PLAN'S EFFECT ON SEIZED ASSETS MANAGEMENT

The USMS maintains custody of nearly \$2 billion in seized assets. Oversight of USMS district-level management of seized assets was provided primarily by Seized Assets Division staff at USMS headquarters and three regional offices. The USMS reorganization effort, which began in March 1994, proposed to abolish the regional offices and merge the Division into a new Business Services Division. At the request of the Deputy Attorney General, we performed a special review of the effect of the reorganization plan on seized assets management.

We identified potential benefits from the reorganization, including streamlined management, empowered employees, measurable performance plans, and improved customer service. However, we also found that the reorganization could result in insufficient staff levels, loss of program expertise, and reduced oversight of the seized assets program. This was a significant concern because the program has a history of material weaknesses adversely affecting program management.

Following our report, USMS management agreed to: ensure retention of all 41 Seized Assets Division positions in seized assets functions for at least one year following the reorganization, hire 21 additional staff to perform seized assets duties in district offices, place three new contract oversight positions in the Business Services Division, ensure that each of the top 20 seized assets districts receives an annual program review, and increase the number of contract management reviews. Fulfillment of these commitments will address the major concerns raised in our review. We will conduct further audit work to monitor USMS' progress.

SECURITY SOFTWARE AT THE FBI

To carry out its mission, the Federal Bureau of Investigation (FBI) relies on computers to collect, process, store, and transmit a variety of sensitive data. Our audit disclosed vulnerabilities in certain computer security control areas. During the course of the audit, the FBI began implementing security measures that should provide a greater degree of control over the vulnerable areas. The audit report is not publicly available because of the sensitivity of the items discussed in the report.

**SIGNIFICANT
AUDIT PRODUCTS****DEA's LABORATORY OPERATIONS**

The Drug Enforcement Administration (DEA) Office of Forensic Sciences' laboratory system includes a Special Testing and Research Laboratory and seven regional laboratories. Although we found that the laboratory organization and facilities generally enabled laboratory personnel to perform their essential duties, several laboratories were housed in outmoded and overcrowded facilities. Deterioration of the laboratories could impair DEA's ability to accomplish its mission in the future. We suggested two alternatives to the planned construction of five replacement laboratories: (1) consolidate the laboratory system from seven to three regional laboratories and a Special Testing and Research Laboratory, or (2) consolidate the regional system into one laboratory similar to the FBI's and INS'.

Additionally, we noted that the District of Columbia Metropolitan Police Department accounts for 65 percent of the Mid-Atlantic Laboratory's workload, 14 percent of the total DEA laboratory workload. Historically, the District of Columbia advocates this level of work and believes it should continue based on its special relationship with the Federal Government. In our judgment, the Mid-Atlantic Laboratory's extensive efforts for the District of Columbia amount to an unwritten Federal appropriation supplement, and we estimated that \$1.6 million of costs incurred by DEA to provide services to the District of Columbia could be put to better use directly for DEA activities.

ORGANIZED CRIME DRUG ENFORCEMENT TASK FORCE OPERATIONS

The Organized Crime Drug Enforcement Task Force (OCDETF) Program allows Federal, State, and local law enforcement agencies to launch a comprehensive attack on organized drug trafficking. Department management has taken significant steps to increase the program's effectiveness; however, we identified several areas for improvement.

The 172 Task Force members we interviewed generally considered the program successful. However, experienced OCDETF prosecutors and investigators noted problems related to the FBI's reluctance to share intelligence information, strained relationships among member agencies, lack of support by some Federal agencies regarding State and local participation in investigations, and weaknesses in the case selection process.

We also found that OCDETF program managers had no methods for adequately assessing program results. We concluded that the \$1.5 billion spent for OCDETF over the past five years represents a significant investment and that the program requires systemic monitoring and the application of performance measures to evaluate its achievements.

PRIVATE COUNSEL DEBT COLLECTION PROGRAM

The Department's Private Counsel Debt Collection Program is authorized by the Federal Debt Recovery Act of 1986. The Act permits the Attorney General to contract with private counsel to collect delinquent nontax civil debts owed to the United States.

Congress mandated that the Inspector General audit this program. We reviewed the implementation and subsequent results of the program for October 1991 through September 1994. The audit found the program provided the Department with essential flexibility in addressing civil debt collection and that the Department complied with the contracting provisions of the Act. We found in addition that private counsel collected a significant amount of the debts owed to the Government, closed over half of the cases referred to them, and augmented United States Attorneys' Offices litigation and debt collection activities in a cost effective manner.

DEA MANAGEMENT OF AVIATION OPERATIONS

In our audit of DEA's aviation operations, we found that some DEA aircraft were not maintained in accordance with Federal Aviation Regulations (FAR), even though DEA paid approximately \$15 million a year to a maintenance contractor. We also found that the DEA aviation cost reports submitted to the General Services Administration for FY 1993 understated actual operating costs by approximately \$7.9 million because DEA financial records did not accurately accumulate and report aircraft costs as required by the Office of Management and Budget.

The DEA pilots in the sample met nearly all of the FAR certification and recent flight experience requirements and were current with the additional flight experience training required by DEA. Of the Department's five air fleets, DEA was the only aviation organization that had a comprehensive safety program in place during our audit.

EQUITABLE SHARING AUDITS

The Department shares the proceeds of forfeited assets with State and local law enforcement agencies that participate in Federal investigations resulting in forfeitures. These funds are to be used for law enforcement purposes. According to the Attorney General's 1994 Annual Report, the Department has shared over \$1.5 billion in federally forfeited cash and property with more than 3,000 State and local law enforcement agencies since 1986. Sharing in 1994 exceeded \$220 million nationally.

**SIGNIFICANT
AUDIT PRODUCTS**

Department management requested that we audit the use of equitably shared funds by the Camden County, Georgia Sheriff's Office and the Sheriff-Coroner of Mendocino County, California. We questioned over \$390,000 that the Camden County Sheriff's Office either improperly used or could not support with adequate documentation. Of this amount, \$208,000 was improperly used to pay for construction of a building for the Georgia Bureau of Investigation. We also questioned over \$250,000 of the funds used by the Sheriff-Coroner of Mendocino County to supplant local resources.

INS YEAR-END SPENDING

In response to an inquiry from Congress, we performed a review of year-end spending actions at INS. Our review of transfer money (relocation costs for employees), overtime, discretionary spending, and vehicle replacement costs determined that INS routinely prioritized its needs to fund the most critical first, since its needs exceed available resources. We concluded that INS' year-end spending actions appear reasonable and consistent with prior years.

***CHIEF FINANCIAL OFFICERS ACT OF 1990/
THE GOVERNMENT MANAGEMENT REFORM ACT OF 1994***

Financial statement audits are performed for the Department by independent public accountants, with oversight by the Audit Division. During this semiannual period, audits of the FY 1994 financial statements of the Asset Forfeiture Program, Community Relations Service, and Radiation Exposure Compensation Trust Fund were issued with unqualified opinions on the principal financial statements. During this period, we also continued our monitoring of INS' implementation of its financial management corrective action plan.

Audit coverage of Department resources will significantly increase for FY 1995 with the addition of the Violent Crime Reduction Trust Fund. The Fund involves three financial systems, six Department components, and over \$2.3 billion of budget authority. This audit involves multiple components of the Department and represents a first step in preparing for Departmentwide audited financial statements.

EMPLOYMENT ELIGIBILITY VERIFICATION FORMS (I-9)

The Department awards millions of dollars to State and local governments and nonprofit organizations every year through the Office of Justice Programs (OJP). At the same time, the Department annually spends millions of dollars enforcing immigration laws to prevent unauthorized persons from obtaining employment. Our review of single audit reports found no systematic means of assuring that recipients of Department funds did not hire unauthorized persons. We recommended that OJP ensure that DOJ grantees require proper employment verification of employees.

OJP agreed and added a special condition to all awards after August 1, 1995, requiring recipients to specifically document compliance with the law. We also requested the Office of Management and Budget add this requirement to its grantee compliance supplement.

**SIGNIFICANT
AUDIT PRODUCTS**

INS RISK AREAS REGARDING AUTOMATION INITIATIVES

In concert with INS management, the Audit Division is monitoring INS' 12 most critical automation initiatives to determine whether they meet INS' information technology needs in a cost effective manner. According to INS' quarterly reports, the total cost for these initiatives is projected to be almost \$1.7 billion and should affect nearly all aspects of INS management. We have maintained frequent contact with INS regarding these crucial initiatives. We issued a Management Information Memorandum (MIM) identifying certain risk areas that need close attention. The MIM also highlighted some of the past OIG audits and inspections that may contain information that INS should consider in developing and implementing the automation initiatives.

DEA'S DOMESTIC CANNABIS ERADICATION AND SUPPRESSION PROGRAM

In both FYs 1993 and 1994, the Cannabis Eradication and Suppression Program provided \$10 million in direct support to State and local cannabis eradication efforts. The program sought to integrate the various activities of State and local agencies into a comprehensive national campaign. Four of the 10 states we audited reported about 72,500,000 plants eradicated, \$16,000,000 in assets seized, 1,400 weapons seized, and 2,700 offenders arrested. Six other states we audited included the activities of nonparticipating agencies in their reports to DEA, which resulted in data being overstated.

We recommended that DEA monitor the program more effectively and improve communication of program requirements to State and local participants. In addition, there should be increased coordination between the DEA program and the cannabis eradication efforts funded by OJP.

TRUSTEE AUDITS

The Audit Division has contributed significantly to the integrity of the bankruptcy system by performing financial and performance audits of trustees under a reimbursable agreement with the Executive Office for United States Trustees. During the reporting period, 194 trustee reports were issued.

**SIGNIFICANT
AUDIT PRODUCTS**

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 fairness of the trustees' financial representations. In addition, performance audits are conducted on 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.

SINGLE AUDIT ACT OF 1984

The Single Audit Act of 1984 and the Office of Management and Budget (OMB) Circulars A-128 and A-133 require recipients of Federal funds to arrange for audits of their activities. During this period, 107 reports were reviewed and transmitted by the Audit Division encompassing 578 Department contracts, grants, and other agreements totaling \$340,618,705. 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 Department funds are reviewed to ensure compliance with generally accepted Government auditing standards. In certain circumstances, the Audit Division performs audits of State and local governments, nonprofit organizations, and Department contracts and provides requested assistance to these entities.

AUDIT FOLLOW-UP ACTIVITIES

OMB Circular A-50, "Audit Follow-up," requires audit reports to be resolved within six 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, 1995, the OIG had closed 292 audit reports and was monitoring the resolution process of 128 open audit reports.

USMS PRIVATE SECTOR JAIL AT LEAVENWORTH, KANSAS

In March 1992, we issued an audit report critical of the USMS' agreement for lodging prisoners at a privately owned jail in Leavenworth, Kansas. We questioned the cost of the agreement and certain contract terms. The USMS renegotiated with the contractor and obtained two significant changes. The USMS now is assured the "right of first refusal" to any potential renewals of the contract. Also, the contractor agreed to reduce the daily rate for lodging prisoners in the current and remaining option periods. The USMS estimates that the savings could total more than \$2 million depending on the number of prisoners actually lodged.

**IMMIGRATION SERVICES AND SPECIAL BENEFITS FOR WHICH FEES HAVE NOT
BEEN ESTABLISHED**

Our audit issued in July 1993 disclosed that additional fees should be established and that inconsistencies exist in the INS fee structure for some services. The INS published in the August 7, 1995, *Federal Register* a final rule establishing six new fees for services at land border ports of entry for services that previously were provided free of charge. These new fees will generate additional annual income of about \$18 million. The INS is continuing to develop additional fees for other services currently provided for free.

CONTROLLED SUBSTANCES ACT REGISTRATION FEES IN DEA

DEA charges fees to doctors, pharmacists, and others to recover Federal costs for registering and controlling the manufacture, distribution, and dispensing of controlled substances. Our audit, issued in August 1992, estimated that DEA could receive an additional \$20 million annually if it established and charged fees adequate to recover the program's full costs. DEA raised the registration fees based on this audit. In August 1993, a group of nine plaintiffs filed suit in the U.S. District Court for the District of Columbia challenging DEA's registration fee structure. The following July, the District Court ruled in favor of DEA's authority to establish and collect registration fees at a level that ensures recovery of the Diversion program's full costs. In August 1994, the plaintiffs appealed the District Court's decision to the Court of Appeals for the District of Columbia Circuit. Oral arguments by the parties before the U.S. Court of Appeals were held in May 1995. A decision by that court is pending.

**AUDIT
STATISTICS**
FUNDS RECOMMENDED TO BE PUT TO BETTER USE

<i>Audit Reports</i>	<i>Number of Audit Reports</i>	<i>Funds Recommended to be Put to Better Use</i>
<i>No management decision made by beginning of period</i>	0	\$0
<i>Issued during period</i>	4	\$10,743,458
<i>Needing management decision during period</i>	4	\$10,743,458
<i>Management decisions made during period:</i>		
<i>---Amounts management agreed to put to better use</i>	4	\$10,743,458
<i>No management decision at end of period</i>	0	\$0

AUDITS WITH QUESTIONED COSTS

<i>Audit Reports</i>	<i>Number of Audit Reports</i>	<i>Total Questioned Costs (Including Unsupported Costs)</i>	<i>Unsupported Costs</i>
<i>No management decision made by beginning of period</i>	11	\$647,168	\$129,589
<i>Issued during period</i>	11	\$1,200,905	\$142,744
<i>Needing management decision during period</i>	22	\$1,848,073	\$272,333
<i>Management decisions made during period:</i>			
<i>---Amounts management agreed to recover (disallowed)</i>	15	\$1,430,865	\$207,170
<i>No management decision at end of period</i>	7	\$417,208	\$65,163

AUDITS INVOLVING RECOMMENDATIONS FOR MANAGEMENT IMPROVEMENTS

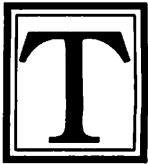
<i>Audit Reports</i>	<i>Number of Audit Reports</i>	<i>Total Number of Management Improvements Recommended</i>
<i>No management decision made by beginning of period</i>	<i>22</i>	<i>95</i>
<i>Issued during period</i>	<i>56</i>	<i>226</i>
<i>Needing management decision during period</i>	<i>78</i>	<i>321</i>
<i>Management decisions made during period:</i>		
<i>---Number management agreed to implement</i>	<i>47*</i>	<i>212</i>
<i>---Number not agreed to implement</i>	<i>0</i>	<i>0</i>
<i>No management decision at end of period</i>	<i>34</i>	<i>109</i>

* The number of reports is higher because management in some cases took different types of action on a single report.

THE INSPECTIONS DIVISION



The Inspections Division performs inspections and program evaluations of Department of Justice components and operations using a wide range of analytical skills and methods.



The Division conducts inspections and program evaluations of Department of Justice (DOJ) components and operations. In addition, the Division conducts special inquiries, which are usually initiated at the request of senior Department management or by the Congress. It employs a wide variety of analytical methods in conducting reviews and evaluations of key activities financed or performed by DOJ. The Division develops its annual workplan in coordination with other Department components and responds to requests from senior officials.

Composed of two evaluation groups, the Inspections Division mirrors the Department's organizational structure to strengthen component expertise and long-term relationships with component stakeholders and decision makers.

During this period, the Inspections Division continued to broaden its role as management consultant to the Department. Specific initiatives included partnering with the Justice Management Division and the Bureau of Prisons (BOP) during component requested reviews; conducting 10 preaward reviews of applicants seeking grants from the Violent Crime Control and Law Enforcement Act of 1994; and providing technical advice to Immigration and Naturalization Service (INS) program managers based on insights developed during an inspection focused on INS' ability to manage the influx of 1,700 new border patrol agents authorized during Fiscal Year (FY) 1996.

INFLUX OF NEW PERSONNEL IN INS

SIGNIFICANT INSPECTIONS

At the conclusion of this semiannual reporting period, the Inspections Division issued a draft report on INS' ability to recruit, hire, train, and deploy the large number of new border patrol agents authorized in FY 1996. We found that INS has an effective, centralized process for recruiting and hiring border patrol agents and is capable of recruiting and hiring a sufficient number of new border patrol agents. Training and deployment, however, pose challenges.

Current Border Patrol Academy facilities do not have the capacity to train the large number of new border patrol agents INS plans to hire in FY 1996. To meet its training objective, INS selected an additional training site at Charleston, South Carolina, which it planned to open by October 1995. However, in INS' management response to our draft report, the Commissioner advised us that the Charleston training site is no longer an acceptable alternative and that INS had reopened consideration of three alternative sites. In our judgment, it is unlikely that any of the sites currently under consideration will be operational in time to train the required number of new border patrol agents in FY 1996.

We also found that INS had not determined the deployment locations for the influx of new border patrol agents. We suggested to INS management that the border patrol stations be provided with preliminary deployment figures in order to adequately plan for additional staff and to procure the necessary equipment.

**SIGNIFICANT
INSPECTIONS****SYSTEMATIC ALIEN VERIFICATION FOR ENTITLEMENTS PROGRAM IN INS**

The Systematic Alien Verification for Entitlements Program (SAVE) provides a means for State and local benefit granting agencies to contact INS to verify immigration status before granting benefits. INS' primary verification system is an automated data information system known as Alien Status Verification Index (ASVI). If the ASVI system does not have information about the alien or does not provide information showing the alien in satisfactory immigration status, a secondary verification request is necessary, requiring manual processing.

Our inspection concluded that primary verifications could not always provide information needed to determine benefit eligibility because of the absence or poor quality of data in the ASVI data base. These deficiencies caused secondary inquiries to be conducted that were unnecessary and more costly. We found that, in April 1993, 5,105 unnecessary secondary verification transactions were requested. From this, we projected that INS could have received up to 54,700 unnecessary secondary referrals in FY 1993 due to ASVI data base deficiencies.

We recommended that INS improve the type and quality of the information available in the SAVE program's data base and the timeliness of its service delivery. We also recommended that INS take the initiative to meet with affected Federal officials to devise solutions related to aliens in "permanently residing under color of law" status, which the Commissioner has reported as the most problematic category of eligibility determination associated with the SAVE Program.

FUGITIVE APPREHENSION PROGRAM IN USMS

The United States Marshals Service (USMS) is administratively responsible for all Federal warrants. We found a significant disparity among district USMS officials in the commitment to processing fugitive warrants.

During FY 1993 and the first eight months of FY 1994, fugitive apprehension activities accounted for less than 15 percent of total time charged in the USMS. USMS is closing most new felony warrants; however, if a warrant has not been closed within 12 months, the warrant is likely to remain open indefinitely. Warrants remain open for a number of reasons, including a lack of information on some fugitives and the inability in some districts to dedicate resources to fugitive apprehension as a result of competing workloads.

There is no mechanism to effectively set national or regional priorities and ensure that each district allocates resources consistent with those priorities. Consequently, we recommended that USMS develop and implement goals and priorities for the fugitive apprehension program and consider giving higher priority to enhancements and ongoing maintenance of the Warrant Information Network.

INS' BACKGROUND REINVESTIGATIONS PROGRAM**SIGNIFICANT
INSPECTIONS**

In April 1992, the Inspections Division issued a report that uncovered extensive Departmentwide problems in the control and monitoring of background investigations and reinvestigations (RIs). As a follow-up to that review, the Inspections Division assessed the extent of any existing backlog of overdue RIs. We found that INS has reported conflicting and inaccurate figures on its number of overdue RIs. The numbers varied widely from a high of 11,986 to a low of 1,692. Our review determined that INS had a backlog of 3,649 overdue RIs.

Resources spent on RIs by INS have been inadequate to eliminate the backlog and remain current. Funds budgeted for the cost of employee RIs have not been spent for that purpose. Following our review, INS announced planned changes to its 1996 budget allocation process to ensure that all RI funds are spent on RIs.

We also found that, although INS has prioritized RIs for employees with access to national security information (NSI) in accordance with Department policy, it has paid less attention to the reinvestigation of border patrol agents. Over one-third of border patrol agents, who do not require NSI access, are overdue for RIs. When INS did initiate RIs on border patrol agents in one sector, 68 percent of the RIs uncovered issues that required resolution.

RESTRICTIONS ON LOBBYING WITHIN THE DEPARTMENT OF JUSTICE

We completed the legislatively required annual review of the Department's efforts to implement restrictions on the use of appropriated funds to influence certain Federal contracting and financial transactions. Our review of FY 1994 contracts and grants showed that the Department continues to maintain adequate policies, procedures, and internal controls in compliance with Public Law 101-121, the Anti-Lobbying Act. The Department prepared and submitted semiannual reports to the Congress as required by the Act.

SPECIAL INQUIRIES**OTHER
PRODUCTS**

The Inspections Division performs special inquiries into complaints from Department management concerning the possible existence of mismanagement, waste, or abuse. During the past six months, these activities included:

- An inquiry to determine whether a Department employee inappropriately used funds for a purpose not authorized by a Memorandum of Understanding (MOU) executed among the Department's Environment and Natural Resources Division, the Executive Office for United States Attorneys, and the Department of Interior's Bureau of Indian Affairs. We concluded that improper procurement practices were used to obtain law

**OTHER
PRODUCTS**

clerk services with MOU funds that were intended to provide expert witness services. This matter was referred to the Criminal Division's Public Integrity Section for consideration of criminal prosecution. We also found that internal control procedures for approving contracts and payments to contractors should be strengthened.

- A follow-up study to our FY 1994 inspection to determine system development progress of the Department's Consolidated Asset Tracking System (CATS). This information management system tracks assets by participating law enforcement agencies from seizure, through forfeiture, to disposal. Inspectors briefed the Assistant Attorney General for Administration and recommended actions to ensure that CATS becomes a valuable tool in managing asset forfeiture information. The recommended actions are: (1) set measurable goals and realistic milestones for CATS implementation; (2) conduct a user satisfaction survey; (3) conduct a technological review to determine the feasibility of continuing the present system architecture; and (4) determine the security classification of CATS at full implementation.
- A limited review to determine whether INS senior management took disciplinary action after allegations of misconduct were substantiated. Our review suggested that some supervisory personnel were not taking corrective action or were not taking action within the time frames established by INS. We identified areas INS could strengthen in its administration of disciplinary actions.
- An inquiry into allegations that Justice Management Division (JMD) personnel mismanaged a telecommunications system contract and failed to follow Federal and Department policies and procedures. We concluded that JMD followed sound management practices and all allegations were unfounded.

<i>Inspections Workload Accomplishments</i>	
	Number of Inspections
<i>Inspections active at beginning of period</i>	10
<i>Inspections initiated</i>	8
<i>Final inspection reports issued</i>	4
<i>Inspections canceled</i>	2*
<i>Inspections active at end of reporting period</i>	12

** One inspection was canceled because the program under review was undergoing significant policy, organizational, and procedural changes, and a report of findings would have been premature. The second inspection resulted in a management and advisory service work product.*

APPENDIX 1

AUDIT REPORTS April 1, 1995 - September 30, 1995

INTERNAL AND EXTERNAL AUDIT REPORTS

Small Purchase Procurement and Payment Practices at the United States Penitentiary, Atlanta, Georgia 1/

The Department's Private Counsel Debt Collection Program

United States Marshals Service Intergovernmental Agreement for Detention Facilities with Alameda County, California 2/

Use of Equitable Shares by the Camden County, Georgia Sheriff's Office 3/

Drug Enforcement Administration Domestic Cannabis Eradication/Suppression Program

Community Relations Service Annual Financial Statement for Fiscal Year 1994

Community Relations Service Management Letter Report for Fiscal Year 1994

The Drug Enforcement Administration's Laboratory Operations 4/

Security Software at the Federal Bureau of Investigation

United States Marshals Service Intergovernmental Service Agreement for Detention Facilities with the Town of Mason, Tennessee 5/

Use of Equitable Sharing Revenues by the Sheriff-Coroner of Mendocino County, California 6/

Asset Forfeiture Program Annual Financial Statement for Fiscal Year 1994

Immigration and Naturalization Service Select Enforcement Activities 7/

1/ Funds Put to Better Use - \$168,951

**2/ Total Questioned Costs - \$133,109
Funds Put to Better Use - \$74,507**

**3/ Total Questioned Costs - \$390,543
Unsupported Costs - \$77,581**

4/ Funds Put to Better Use - \$1,600,000

5/ Total Questioned Costs - \$259,241

6/ Total Questioned Costs - \$253,563

7/ Funds Put to Better Use - \$8,900,000

Radiation Exposure Compensation Trust Fund Annual Financial Statement for Fiscal Year 1994

Immigration and Naturalization Service Operation Jobs Pilot Program in Texas

The Drug Enforcement Administration Management of Aviation Operations

Bureau of Prisons Commissary Trust Fund Management Letter Report for Fiscal Year 1994

The Weed and Seed Program

Organized Crime Drug Enforcement Task Force Operations in the Department of Justice

The United States Marshals Service Intergovernmental Service Agreements for Detention Facilities

Federal Prisons Industries, Inc. Management Letter Report for Fiscal Year 1994

Working Capital Fund Management Letter Report for Fiscal Year 1994

COPS Preaward Review of the Murfreesboro, Tennessee Police Department

COPS Preaward Review of the Taliaferro County, Georgia Sheriff's Office

COPS Preaward Review of the Auburn, Alabama Police Department

COPS Preaward Review of the Cobb County, Georgia Police Department

COPS Preaward Review of the Edgecombe County, North Carolina Sheriff's Department

COPS Preaward Review of the Kinston, North Carolina Police Department

COPS Preaward Review of the City of Decatur, Illinois Police Department

COPS Preaward Review of the Atwood, Illinois Police Department

COPS Preaward Review of the Larimer County, Colorado Sheriff's Department

COPS Preaward Review of the Houston, Texas Police Department

COPS Preaward Review of the Cherokee Nation Marshal Service

COPS Preaward Review of the Los Angeles County, California Sheriff's Department

COPS Preaward Review of the Surprise, Arizona Police Department

COPS Preaward Review of the City of San Jose, California Police Department

COPS Preaward Review of the Milpitas, California Police Department

COPS Preaward Review of the Coulee Dam, Washington Police Department

COPS Preaward Review of the New Brunswick, New Jersey Police Department

COPS Preaward Review of the Smyrna, Delaware Police Department

COPS Preaward Review of the Salem, New Hampshire Police Department

COPS Preaward Review of the Franklin Park, Pennsylvania Police Department

COPS Preaward Review of the Lawrence, Massachusetts Police Department

COPS Preaward Review of the Syracuse, New York Police Department

TRUSTEE REPORTS

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

Chapter 7 Audit of Panel Trustee Margaret M. Huff	MR-40-95-031	Chapter 7 Audit of Panel Trustee John Ellis	MR-40-95-054
Chapter 7 Audit of Panel Trustee Susan R. Limor	MR-40-95-033	Chapter 7 Audit of Panel Trustee Charles L. Weissing	MR-40-95-055
Chapter 7 Audit of Panel Trustee Ann Reilly Mostoller	MR-40-95-037	Chapter 7 Audit of Panel Trustee James L. Drake, Jr.	MR-40-95-056
Chapter 7 Audit of Panel Trustee Douglas N. Menchise	MR-40-95-038	Chapter 7 Audit of Panel Trustee Joseph E. Rose	MR-40-95-057
Chapter 7 Audit of Panel Trustee Charles W. Grant	MR-40-95-039	Chapter 7 Audit of Panel Trustee Jerald I. Rosen	MR-40-95-058
Chapter 7 Audit of Panel Trustee Charles A. Goodman, III	MR-40-95-040	Chapter 7 Audit of Panel Trustee George D. Weil	MR-40-95-059
Chapter 7 Audit of Panel Trustee Mary C. Walker	MR-40-95-041	Chapter 7 Audit of Panel Trustee Hans Lopez Stubbe	MR-40-95-060
Chapter 7 Audit of Panel Trustee Charles L.J. Freihofer	MR-40-95-042	Chapter 7 Audit of Panel Trustee George W. Emerson	MR-40-95-061
Chapter 7 Audit of Panel Trustee John Edward Venn, Jr.	MR-40-95-043	Chapter 7 Audit of Panel Trustee George W. Stevenson	MR-40-95-062
Chapter 7 Audit of Panel Trustee Stephen Palmer	MR-40-95-044	Chapter 7 Audit of Panel Trustee Maxie E. Higgason	MR-40-95-063
Chapter 7 Audit of Panel Trustee Robert H. Waldschmidt	MR-40-95-045	Chapter 7 Audit of Panel Trustee Andrea A. Ruff	MR-40-95-064
Chapter 7 Audit of Panel Trustee Ralph Jay Harpley	MR-40-95-046	Chapter 7 Audit of Panel Trustee Michael P. Cielinski	MR-40-95-065
Chapter 7 Audit of Panel Trustee Alexander G. Smith	MR-40-95-047	Chapter 12 Audit of Standing Trustee Julio E. Mendoza, Jr.	GR-40-95-010
Chapter 7 Audit of Panel Trustee William Lamar Newport	MR-40-95-048	Chapter 7 Audit of Panel Trustee D. William Davis	MR-50-95-056
Chapter 7 Audit of Panel Trustee Kenneth A. Welt	MR-40-95-049	Chapter 7 Audit of Panel Trustee Robert B. Millner	MR-50-95-057
Chapter 7 Audit of Panel Trustee Michael T. Tabor	MR-40-95-050	Chapter 7 Audit of Panel Trustee David Seitter	MR-50-95-058
Chapter 7 Audit of Panel Trustee James R. Westenhoefer	MR-40-95-051	Chapter 7 Audit of Panel Trustee Michael T. Gunner	MR-50-95-059
Chapter 7 Audit of Panel Trustee Cathy S. Pike	MR-40-95-052	Chapter 7 Audit of Panel Trustee Louis J. Yoppolo	MR-50-95-060
Chapter 7 Audit of Panel Trustee Alan Joel Bronstein	MR-40-95-053	Chapter 7 Audit of Panel Trustee Norman Newman	MR-50-95-061

Chapter 7 Audit of Panel Trustee Tom K. O'Loughlin, II	MR-50-95-062	Chapter 7 Audit of Panel Trustee Gary D. Boyn	MR-50-95-084
Chapter 7 Audit of Panel Trustee William Henry Frye	MR-50-95-063	Chapter 7 Audit of Panel Trustee Neil R. McKloskey	MR-50-95-085
Chapter 7 Audit of Panel Trustee David C. Stover	MR-50-95-064	Chapter 7 Audit of Panel Trustee Randall Woodruff	MR-50-95-086
Chapter 7 Audit of Panel Trustee Tamalou M. Williams	MR-50-95-065	Chapter 7 Audit of Panel Trustee Bruce DeMedici	MR-50-95-087
Chapter 7 Audit of Panel Trustee Elizabeth Ann Vaughan	MR-50-95-066	Chapter 7 Audit of Panel Trustee Catherine L. Steege	MR-50-95-088
Chapter 7 Audit of Panel Trustee Timothy D. Moratzka	MR-50-95-067	Chapter 7 Audit of Panel Trustee David J. Theising	MR-50-95-089
Chapter 7 Audit of Panel Trustee Carl Clark	MR-50-95-068	Chapter 7 Audit of Panel Trustee Neil E. Shook	MR-50-95-090
Chapter 7 Audit of Panel Trustee George E. Grogan	MR-50-95-069	Chapter 7 Audit of Panel Trustee Richard Glenn Zellers	MR-50-95-091
Chapter 7 Audit of Panel Trustee Carl E. Juergens	MR-50-95-070	Chapter 7 Audit of Panel Trustee John James Petr	MR-50-95-092
Chapter 7 Audit of Panel Trustee Josiah Locke Mason	MR-50-95-071	Chapter 7 Audit of Panel Trustee Elliott D. Levin	MR-50-95-093
Chapter 7 Audit of Panel Trustee Joseph I. Wittman	MR-50-95-072	Chapter 7 Audit of Panel Trustee Nathan Yorke	MR-50-95-094
Chapter 7 Audit of Panel Trustee Randi L. Osberg	MR-50-95-073	Chapter 12 Audit of Standing Trustee Gary E. Cameron	GR-50-95-005
Chapter 7 Audit of Panel Trustee John F. Waldschmidt	MR-50-95-074	Chapter 12 Audit of Standing Trustee Carl L. Bekofske	GR-50-95-007
Chapter 7 Audit of Panel Trustee Martha Markusen	MR-50-95-075	Chapter 12 Audit of Standing Trustee Richard V. Fink	GR-50-95-008
Chapter 7 Audit of Panel Trustee Lynn M. Miller	MR-50-95-076	Chapter 12 Audit of Standing Trustee Anita L. Shodeen	GR-50-95-009
Chapter 7 Audit of Panel Trustee Bradley J. Waller	MR-50-95-077	Chapter 12 Audit of Standing Trustee Michael V. Demczyk	GR-50-95-011
Chapter 7 Audit of Panel Trustee Mark Allen Warsco	MR-50-95-078	Chapter 12 Audit of Standing Trustee Danny Ray Nelson	GR-50-95-012
Chapter 7 Audit of Panel Trustee Gary Don Barnes	MR-50-95-079	Chapter 12 Audit of Standing Trustee Frank M. Pees	GR-50-95-013
Chapter 7 Audit of Panel Trustee Thomas Tibble	MR-50-95-080	Chapter 12 Audit of Standing Trustee Joseph A. Chrysler	GR-50-95-014
Chapter 7 Audit of Panel Trustee Roy A. Safanda	MR-50-95-081	Chapter 12 Audit of Standing Trustee Richard K. Lydick	GR-50-95-015
Chapter 7 Audit of Panel Trustee Robert S. LaPlante	MR-50-95-082	Chapter 12 Audit of Standing Trustee Robert G. Kearney	GR-50-95-016
Chapter 7 Audit of Panel Trustee James R. Ransel	MR-50-95-083	Chapter 7 Audit of Panel Trustee Michael J. Caplan	MR-80-95-048

Chapter 7 Audit of Panel Trustee James E. Burke	MR-80-95-049	Chapter 7 Audit of Panel Trustee James W. Cunningham	MR-80-95-071
Chapter 7 Audit of Panel Trustee John P. Lowe	MR-80-95-050	Chapter 7 Audit of Panel Trustee Rick A. Yarnall	MR-80-95-072
Chapter 7 Audit of Panel Trustee Deborah J. Penner	MR-80-95-051	Chapter 12 Audit of Standing Trustee Marion A. Olson, Jr.	GR-80-95-006
Chapter 7 Audit of Panel Trustee Kenneth Reagan Havis	MR-80-95-052	Chapter 12 Audit of Standing Trustee A. Thomas Pokela	GR-80-95-007
Chapter 7 Audit of Panel Trustee Jim Clements	MR-80-95-053	Chapter 12 Audit of Standing Trustee David B. Long	GR-80-95-008
Chapter 7 Audit of Panel Trustee Billy Joe Sholer	MR-80-95-054	Chapter 12 Audit of Standing Trustee James D. Volk <u>1/</u>	GR-80-95-009
Chapter 7 Audit of Panel Trustee Max R. Tarbox	MR-80-95-055	Chapter 12 Audit of Standing Trustee Phillip D. Armstrong	GR-80-95-010
Chapter 7 Audit of Panel Trustee Stanley W. Wright	MR-80-95-056	Chapter 12 Audit of Standing Trustee Albert L. Tenney	GR-80-95-011
Chapter 7 Audit of Panel Trustee Robert B. Wilson	MR-80-95-057	Chapter 12 Audit of Standing Trustee Lonnie D. Eck	GR-80-95-012
Chapter 7 Audit of Panel Trustee Pamela G. Johnson	MR-80-95-058	Chapter 12 Audit of Standing Trustee Robert J. Naquin <u>2/</u>	GR-80-95-013
Chapter 7 Audit of Panel Trustee Jonathon Cocks	MR-80-95-059	Chapter 7 Audit of Panel Trustee John W. Richardson	MR-90-95-033
Chapter 7 Audit of Panel Trustee Thomas J. Barry	MR-80-95-060	Chapter 7 Audit of Panel Trustee Robert A. Hawkins	MR-90-95-034
Chapter 7 Audit of Panel Trustee Marsha G. Kocurek	MR-80-95-061	Chapter 7 Audit of Panel Trustee Kirk Lazell-Frankel	MR-90-95-035
Chapter 7 Audit of Panel Trustee Harvey D. Caughey	MR-80-95-062	Chapter 7 Audit of Panel Trustee Terry R. Nealey	MR-90-95-036
Chapter 7 Audit of Panel Trustee Richard Steven London	MR-80-95-063	Chapter 7 Audit of Panel Trustee Robert R. Cochran	MR-90-95-037
Chapter 7 Audit of Panel Trustee Ben B. Floyd	MR-80-95-064	Chapter 7 Audit of Panel Trustee S. David Swayne	MR-90-95-038
Chapter 7 Audit of Panel Trustee Jeanne Y. Jagow	MR-80-95-065	Chapter 7 Audit of Panel Trustee John T. Kendall	MR-90-95-039
Chapter 7 Audit of Panel Trustee Timothy C. Kingston	MR-80-95-066	Chapter 7 Audit of Panel Trustee Gregory A. Beeler	MR-90-95-040
Chapter 7 Audit of Panel Trustee John J. Jenkins	MR-80-95-067	Chapter 7 Audit of Panel Trustee Jack R. Reeves	MR-90-95-041
Chapter 7 Audit of Panel Trustee Robert L. Marrero	MR-80-95-068	Chapter 7 Audit of Panel Trustee Michael B. Batlan	MR-90-95-042
Chapter 7 Audit of Panel Trustee Mark A. Weisbart	MR-80-95-069		
Chapter 7 Audit of Panel Trustee Robert F. Newhouse	MR-80-95-070	<u>1/</u> Total Questioned Costs - \$804	
		<u>2/</u> Total Questioned Costs - \$65,975 Unsupported Costs - \$61,462	

Chapter 7 Audit of Panel Trustee Michael A. Grassmueck	MR-90-95-043	Chapter 7 Audit of Thompson Bakery Jason D. Monzack	MR-30-95-028
Chapter 7 Audit of Panel Trustee Daniel E. Forsch	MR-90-95-044	Chapter 7 Audit of Panel Trustee Richard P. Salem	MR-30-95-029
Chapter 7 Audit of Panel Trustee J. Kirk Bromiley	MR-90-95-045	Chapter 7 Audit of Panel Trustee William H. Howison	MR-30-95-030
Chapter 7 Audit of Panel Trustee Geoffrey Groshong	MR-90-95-046	Chapter 7 Audit of Panel Trustee W. Alan Smith, Jr.	MR-30-95-031
Chapter 7 Audit of Panel Trustee Jeffrey A. Meehan	MR-90-95-047	Chapter 7 Audit of Panel Trustee Erwin B. Nachman	MR-30-95-032
Chapter 7 Audit of Panel Trustee Richard H. Brooks, Jr.	MR-90-95-048	Chapter 7 Audit of Panel Trustee Stephen Darr	MR-30-95-033
Chapter 7 Audit of Panel Trustee Robert E. Wiswall	MR-90-95-049	Chapter 7 Audit of Panel Trustee Stephen E. Shamban	MR-30-95-034
Chapter 7 Audit of Panel Trustee Anthony E. Grabicki	MR-90-95-050	Chapter 7 Audit of Panel Trustee Elliott Polaniecki	MR-30-95-035
Chapter 7 Audit of Panel Trustee C. Barry Zimmerman	MR-90-95-051	Chapter 7 Audit of Panel Trustee Joseph G. Butler	MR-30-95-036
Chapter 7 Audit of Panel Trustee Kenny W. Flinn	MR-90-95-052	Chapter 7 Audit of Panel Trustee Dennis G. Bezanson	MR-30-95-037
Chapter 7 Audit of Panel Trustee Henry M. Spacone	MR-90-95-053	Chapter 7 Audit of Panel Trustee John Paul Rieser	MR-30-95-038
Chapter 7 Audit of Panel Trustee Martha Bowman	MR-90-95-054	Chapter 7 Audit of Panel Trustee Thomas Scott	MR-30-95-039
Chapter 7 Audit of Panel Trustee Larry D. Compton	MR-90-95-055	Chapter 7 Audit of Panel Trustee Arnold White	MR-30-95-040
Chapter 7 Audit of Panel Trustee Gail B. Geiger	MR-90-95-056	Chapter 7 Audit of Panel Trustee Richard H. Weiner	MR-30-95-041
Chapter 7 Audit of Panel Trustee Lloyd W. Wilson	MR-90-95-057	Chapter 7 Audit of Panel Trustee Michael J. O'Connor	MR-30-95-042
Chapter 12 Audit of Standing Trustee Lawrence J. Loheit	GR-90-95-007	Chapter 7 Audit of Panel Trustee Bruce C. French	MR-30-95-043
Chapter 12 Audit of Standing Trustee Paul Debruce Wolff	GR-90-95-008	Chapter 7 Audit of Panel Trustee James R. Warren	MR-30-95-044
Chapter 12 Audit of Standing Trustee Anabelle G. Savage	GR-90-95-009	Chapter 7 Audit of Panel Trustee Dennis E. Stegner	MR-30-95-045
Chapter 12 Audit of Standing Trustee L.D. Fitzgerald	GR-90-95-012	Chapter 7 Audit of Panel Trustee Thomas McK. Hazlett	MR-30-95-046
Chapter 12 Audit of Standing Trustee Robert K. Morrow	GR-90-95-013	Chapter 7 Audit of Panel Trustee Townsend Foster, Jr.	MR-30-95-047
Chapter 13 Audit of Standing Trustee Gail B. Geiger	GR-90-95-015	Chapter 7 Audit of Panel Trustee Joel H. Rathbone	MR-30-95-048
Chapter 7 Audit of Panel Trustee Louis A. Geremia	MR-30-95-027	Chapter 7 Audit of Panel Trustee Ruth Ann Slone-Stiver	MR-30-95-049

Chapter 7 Audit of Panel Trustee Saul Eisen	MR-30-95-050	Chapter 7 Audit of Panel Trustee Warren H. Heilbronner	MR-31-95-044
Chapter 7 Audit of Panel Trustee Douglas L. Thrush	MR-30-95-051	Chapter 7 Audit of Panel Trustee Anthony S. Novak	MR-31-95-045
Chapter 7 Audit of Panel Trustee James R. Kandel	MR-30-95-052	Chapter 7 Audit of Panel Trustee William M. McCarthy	MR-31-95-046
Chapter 7 Audit of Panel Trustee Richard A. Wilson	MR-30-95-053	Chapter 7 Audit of Panel Trustee Alan Nisselson	MR-31-95-047
Chapter 7 Audit of Panel Trustee Todd G. Finneran	MR-30-95-054	Chapter 7 Audit of Panel Trustee Barbara Katz	MR-31-95-048
Chapter 7 Audit of Panel Trustee David O. Simon	MR-30-95-055	Chapter 7 Audit of Panel Trustee Kenneth P. Silverman	MR-31-95-049
Chapter 12 Audit of Standing Trustee Robert E. Littlefield	GR-30-95-004	Chapter 7 Audit of Panel Trustee David J. Doyaga	MR-31-95-050
Chapter 7 Audit of Panel Trustee Lovett M. Mott	MR-31-95-038	Chapter 7 Audit of Panel Trustee Barry W. Frost	MR-31-95-051
Chapter 7 Audit of Panel Trustee Daniel E. Straffi	MR-31-95-039	Chapter 7 Audit of Panel Trustee Randy J. Schaal	MR-31-95-052
Chapter 7 Audit of Panel Trustee Bruce H. Matson	MR-31-95-040	Chapter 7 Audit of Panel Trustee Andrew M. Thaler	MR-31-95-053
Chapter 7 Audit of Panel Trustee Eric C. Kurtzman	MR-31-95-041	Chapter 7 Audit of Panel Trustee Pasquale Perrino	MR-31-95-054
Chapter 7 Audit of Panel Trustee Harry Shaia, Jr.	MR-31-95-042	Chapter 7 Audit of Panel Trustee Richard Baumgart	MR-31-95-055
Chapter 7 Audit of Panel Trustee Charles M. Forman	MR-31-95-043	Chapter 7 Audit of Panel Trustee Marvin Sicherman	MR-31-95-056

AUDIT REPORTS OF DEPARTMENT OF JUSTICE
ACTIVITIES COMPLETED BY OTHERS

Audit of the Cuban American National Council	TJF-40-95-009	Audit of Cordele, Georgia	TOP-40-95-027
Audit of the Council of State Governments	TJF-40-95-010	Audit of the City of Columbia, South Carolina	TOP-40-95-028
Audit of the Chatham - Savannah Youth Futures Authority	TJF-40-95-011	Audit of Hillsborough County, Florida	TOP-40-95-029
Audit of the Institute for Intergovernmental Research	TJF-40-95-012	Audit of the State of Georgia	TOP-40-95-030
Audit of the City of North Miami Beach, Florida	TJP-40-95-006	Audit of the State of Florida	TOP-40-95-031
Audit of the National Conference of Black Mayors, Inc.	TOP-40-95-004	Audit of the National Child Safety Council	TJF-50-95-001
Audit of the City of Atlanta, Georgia	TOP-40-95-011	Audit of the Legal Aid of Western Missouri	TJF-50-95-002
Audit of the Mississippi Band of Choctaws	TOP-40-95-012	Audit of the Delta County Alliance Against Violence and Abuse	TJF-50-95-003
Audit of Metro Dade County, Florida	TOP-40-95-013	Audit of the Kansas City, Missouri Police Department	TJP-50-95-003
Audit of the State of Georgia	TOP-40-95-014	Audit of the Indiana Department of Corrections	TJP-50-95-004
Audit of the State of Tennessee <u>1/</u>	TOP-40-95-015	Audit of the Indiana State Police	TJP-50-95-005
Audit of the Commonwealth of Kentucky	TOP-40-95-016	Audit of Country Club Hills, Illinois	TJP-50-95-006
Audit of the City of Hialeah, Florida	TOP-40-95-017	Audit of the State of Illinois Department of State Police	TJP-50-95-007
Audit of the State of Mississippi	TOP-40-95-018	Audit of the Indiana Judicial Center	TJP-50-95-008
Audit of the State of North Carolina	TOP-40-95-019	Audit of the State of Kansas	TOP-50-95-014
Audit of Jefferson County, Kentucky Fiscal Court <u>2/</u>	TOP-40-95-020	Audit of the State of Nebraska	TOP-50-95-015
Audit of Knox County, Tennessee	TOP-40-95-021	Audit of the State of Ohio	TOP-50-95-016
Audit of the City of Miami Beach, Florida	TOP-40-95-022	Audit of the State of Wisconsin <u>1/</u>	TOP-50-95-017
Audit of the City of Louisville, Kentucky	TOP-40-95-023	Audit of the Illinois Department of Children and Family Services	TOP-50-95-018
Audit of the Metropolitan Government of Nashville and Davidson County, Tennessee	TOP-40-95-024	Audit of the Grand Portage Indian Tribal Council	TOP-50-95-019
Audit of the State of South Carolina <u>3/</u>	TOP-40-95-025	Audit of the State of Minnesota	TOP-50-95-020
Audit of the City of Homestead, Florida	TOP-40-95-026	Audit of Mid-States Organized Crime Information Center	TRIG-50-95-001
		Audit of the International Educational Services, Inc. <u>5/</u>	TJF-80-95-005

1/ Total Questioned Costs - \$27,604

2/ Total Questioned Costs - \$880

3/ Total Questioned Costs - \$3,701
 Unsupported Costs - \$3,701

4/ Total Questioned Costs - \$304

5/ Total Questioned Costs - \$65,181

Audit of the Office of the Prosecutor Coordinator, Little Rock, Arkansas	TJP-80-95-009	Audit of the County of Sacramento, California	TOP-90-95-018
Audit of the City of Iberia, Louisiana	TJP-80-95-010	Audit of Clark County, Nevada	TOP-90-95-019
Audit of the Oklahoma State University	TOF-80-95-009	Audit of the City of Santa Ana, California	TOP-90-95-020
Audit of the University of New Mexico	TOF-80-95-010	Audit of the State of Alaska	TOP-90-95-021
Audit of Tulane University	TOF-80-95-011	Audit of the County of Santa Barbara, California	TOP-90-95-022
Audit of Dallas County, Texas	TOP-80-95-021	Audit of the Federated States of Micronesia	TOP-90-95-023
Audit of the Department of Human Services, Arkansas	TOP-80-95-022	Audit of the Congress of National Black Churches	TJF-30-95-021
Audit of the State of Utah	TOP-80-95-023	Audit of the Visual/Vocal Information	TJF-30-95-022
Audit of the Pueblo of Jemez, New Mexico	TOP-80-95-024	Audit of the Coalition for Juvenile Justice	TJF-30-95-023
Audit of the City of Tyler, Texas	TOP-80-95-025	Audit of the Coalition for Juvenile Justice	TJF-30-95-024
Audit of the State of New Mexico Children, Youth and Families Department	TOP-80-95-026	Audit of the American Prosecutor's Research Institute	TJF-30-95-025
Audit of the Rosebud Sioux Tribe	TOP-80-95-027	Audit of the National Association of Criminal Justice Planners	TJF-30-95-026
Audit of the Rosebud Sioux Tribe	TOP-80-95-028	Audit of the National Office for Social Responsibility	TJF-30-95-027
Audit of the City and County of Denver, Colorado	TOP-80-95-029	Audit of the Jefferson Institute for Justice Studies	TJF-30-95-028
Audit of the City of San Antonio, Texas	TOP-80-95-030	Audit of the National Association of Crime Victim Compensation Boards	TJF-30-95-029
Audit of Dallas County, Texas	TOP-80-95-031	Audit of the Bureau of Rehabilitation, Inc.	TJF-30-95-030
Audit of the Community Board Program	TJF-90-95-008	Audit of the Justice Research and Statistics Association, Inc.	TJF-30-95-031
Audit of the Asian Pacific American Legal Center, Inc.	TJF-90-95-009	Audit of the Consortium of Universities of the Washington Metropolitan Area	TJF-30-95-032
Audit of the National Council of Juvenile and Family Court Judges	TJF-90-95-010	Audit of The Access Video Fund, Inc.	TFJ-90-95-033
Audit of the Northwest Immigrant Rights Project	TJF-90-95-011	Audit of the Pretrial Services Resources Center	TJF-30-95-034
Audit of the National CASA Association	TJF-90-95-012	Audit of the National Center for Missing and Exploited Children	TJF-30-95-035
Audit of the Northwest Immigrant Rights Project	TJF-90-95-013	Audit of the National Center for State Courts	TJF-30-95-036
Audit of the National Judicial College	TJF-90-95-014	Audit of the National Consortium of TASC Programs	TJF-30-95-037
Audit of the Constitutional Rights Foundation	TJF-90-95-015	Audit of the National Crime Prevention Council	TJF-30-95-038
Audit of the Parents Anonymous, Inc.	TJF-90-95-016	Audit of the National Alliance for Model State Drug Laws	TJF-30-95-039
Audit of the Hawaii Department of Land and Natural Resources	TOP-90-95-014	Audit of the Aspen Systems Corporation	TJF-30-95-040
Audit of the State of Oregon	TOP-90-95-015	Audit of the Public Administration Service	TJF-30-95-041
Audit of the State of California	TOP-90-95-016		
Audit of Multnomah County, Oregon	TOP-90-95-017		

**Audit of the National Network of Children's
Advocacy Centers, Inc.**

TJF-30-95-042

**Audit of the District of Columbia Public
Safety Cluster**

TJP-30-95-002

**Audit of the International Association of
Chiefs of Police, Inc.**

TJF-30-95-043

**Audit of the American Institute of Research
Behaviorial Sciences**

TOF-30-95-002

**Audit of the International Association of
Chiefs of Police, Inc.**

TJF-30-95-044

Audit of the City of Roanoke, Virginia

TOP-30-95-004

**INSPECTION REPORTS
April 1, 1995 - September 30, 1995**

INTERNAL AND EXTERNAL REPORTS

Systematic Alien Verification for Entitlements Program in the Immigration and Naturalization Service

Fugitive Apprehension Program in the United States Marshals Service

Immigration and Naturalization Service's Background Reinvestigations Program

Restrictions on Lobbying Within the Department of Justice

Pre-Award Review of Kansas City, Kansas Police Department, COPS AHEAD Applicant

Pre-Award Review of City of Wellford, COPS FAST Applicant

Pre-Award Review of Santa Fe, New Mexico Police Department, COPS AHEAD Applicant

Pre-Award Review of Lucas County, Ohio Sheriff's Office, COPS AHEAD Applicant

COPS Phase I Grant to Broward County Sheriff's Department, Florida

Pre-Award Review of Port Sanilac, Michigan Police Department, COPS FAST Applicant

Pre-Award Review of Andover, Kansas Police Department, COPS FAST Applicant

Pre-Award Review of Township of Dover, New Jersey Police Department, COPS AHEAD Applicant

Pre-Award Review of Township of Brick, New Jersey Police Department, COPS AHEAD Applicant

Pre-Award Review of Lake Arthur, Louisiana Police Department, COPS FAST Applicant

Glossary of Terms

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

Border Crosser Card:	An INS identification card (Form I-586) issued to Mexican nationals residing along the border in Mexico that permits entry into the U.S. for shopping or visits of short duration.
Disallowed Cost:	A questioned cost that management has sustained or agreed should not be charged to the Government.
Employment Authorization Document:	An INS document (Form I-688B) issued to aliens who have been granted permission to be employed in the U.S., but are not permanent residents or citizens.
Final Action:	(a) The completion of all actions that the management of an establishment has concluded 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.
Green Card:	INS Alien Registration Receipt Card (Form I-151 or Form I-551).
OIG 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 handed down by a grand jury.
Inspection Advisory Notice:	Method of bringing exigent issues to management's attention while inspections work is still ongoing or to share information on a subject matter outside the defined scope of a review.
Middleman:	An individual who serves as a dealer between the producer of documents, drugs, etc., and the purchaser.

Questioned

Cost:

Cost that is questioned by the OIG 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 OIG 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) deobligation 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.

**Record of Arrival
And Departure:**

An INS document (Form I-94) that is provided to each non-immigrant visitor to the United States.

**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 confiscated by law enforcement officials. A decision is made by a court or civil authority regarding what will be done with the seizure.

REPORTING REQUIREMENT INDEX

The Inspector General Act of 1978, as amended, specifies reporting requirements for semiannual reports. The requirements are listed below and indexed to the applicable pages.

IG Act References	Reporting Requirement	Page
Section 4(a)(2)	Review of Legislation and Regulations	7
Section 5(a)(1)	Significant Problems, Abuses, and Deficiencies	9 to 35
Section 5(a)(2)	Significant Recommendations for Corrective Action	19 to 35
Section 5(a)(3)	Prior Significant Recommendations Unimplemented	None
Section 5(a)(4)	Matters Referred to Prosecutive Authorities	9 to 17
Section 5(a)(5)	Informations Refused	None
Section 5(a)(6)	Listing of Audit Reports	A-1 to A-11
Section 5(a)(7)	Summary of Significant Reports	9 to 35
Section 5(a)(8)	Audit Reports--Questioned Costs	28
Section 5(a)(9)	Audit Reports--Funds To Be Put To Better Use	28
Section 5(a)(10)	Prior Audit Reports Unresolved	None
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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