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Strategic Goal Two: Enforce Federal Criminal Laws

Strategic Objective & Annual Goal 2.1: Violent Crime

Reduce the threat, incidence, and prevalence of violent crime, especially as it stems from illegal use of guns or from organized criminal enterprises

2.1A Dismantle Targeted Organized Crime Groups

The FBI, working closely with DOJ prosecutors, will continue its intensive efforts against the threats of active La Cosa Nostra (LCN), native Italian, and emerging Asian and Eurasian criminal enterprises. The Organized Crime Section, through the use of the Racketeering Influenced Corrupt Organization (RICO) statute, targets the entire entity responsible for the crime problem, the organization. This is accomplished by charging the organization's members as a group with a wide range of crimes committed by its members in violation of local, state, and federal laws.

Organized criminal enterprises are structured to ensure that their leadership is far removed from the criminal activity, making it difficult to link overt crimes to the leaders of the organization. Moreover, even if key individuals are removed, the strength of these organizations often allows the enterprise to be sustained. This situation requires the FBI to develop strategies targeted primarily at dismantling the organization, as opposed to merely removing key individuals.

Performance Measure: Dismantled Asian Criminal Enterprises [FBI]

- **FY 2003 Target:** 5
- **FY 2003 Actual:** 5
- **Discussion:** The program currently uses two outcome-based performance measures to assess its progress toward achieving its Organized Crime related goals: number of Asian Criminal Enterprises dismantled, and number of Eurasian Criminal Enterprises dismantled. The program is transitioning to using an overall outcome measure of number of organized criminal enterprises dismantled.

Performance Measure: Dismantled Eurasian Criminal Enterprises [FBI]

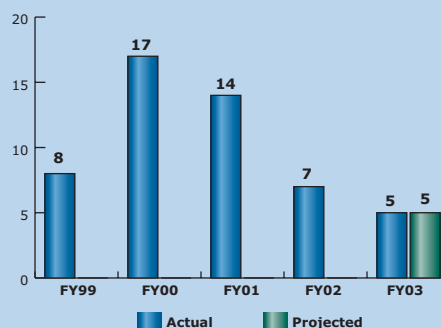
- **FY 2003 Target:** 6
- **FY 2003 Actual:** 10
- **Discussion:** See above.

Data Collection and Storage: The data source for the dismantlements is the FBI's Integrated Statistical Reporting and Analysis Application (ISRAA). The database tracks accomplishments from inception to closure.

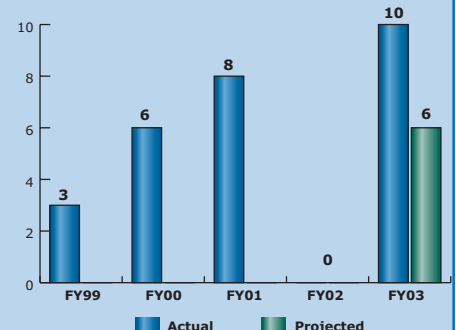
Data Validation and Verification: Before data are entered into the system, they are reviewed and approved by an FBI field manager. The data are subsequently verified through the FBI's inspection process. Inspections occur on a 2 to 3 year cycle. Using statistical sampling methods, data are tracked to source documents contained in FBI files.

Data Limitations: None known at this time.

Dismantled Asian Criminal Enterprises [FBI]



Dismantled Eurasian Criminal Enterprises [FBI]



2.1B Reduce Firearms Crime

DOJ's Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) serves as the nation's expert on firearms and represents a unique federal resource for providing investigative and regulatory functions, as well as technical, scientific, and legal expertise. This unique combination of tools and skills allows ATF to provide a focused, flexible, and balanced approach to protecting the public's legitimate access to firearms while fighting unlawful use and trafficking.

ATF counters violent firearms crime through an integrated approach of effective enforcement, regulation of industry, and prevention efforts. The key to this effort is the Project Safe Neighborhood initiative to help federal, state, and local law enforcement and communities join together to combat crimes. ATF tracks reductions in instances of violations among federal firearms licensees to ensure that our regulatory efforts are having the desired impact. Where problems are discovered, appropriate action is taken. ATF provides expeditious firearms tracing results to requesting agencies.

ATF has developed an Integrated Violence Reduction Strategy (IVRS) to address firearms violence nationwide. Using the component programs of IVRS in collaborative partnerships within the nationwide PSN initiative, ATF works to prevent armed offenders from victimizing the American public. One such component of IVRS is the Armed Violent Criminal Apprehension Program. Also through IVRS, ATF works closely with other law enforcement agencies to shut down illegal gun markets, ensure industry compliance with applicable laws and regulations, and aggressively pursue persons who use firearms in the commission of crime or illegally possess firearms. ATF is in the forefront of efforts to keep juveniles from unlawfully acquiring and possessing firearms. Intensified firearms enforcement efforts, such as the Youth Crime Gun Interdiction Initiative (YCGII), are helping increase tracing of recovered crime guns. YCGII is an integral part of ATF's IVRS strategy and PSN initiatives. It utilizes ATF's firearms tracing system and the efforts of ATF special agents, inspectors, and support personnel to follow leads generated by comprehensive crime gun tracing.

ATF complements reducing violent crime with training and prevention strategies through law

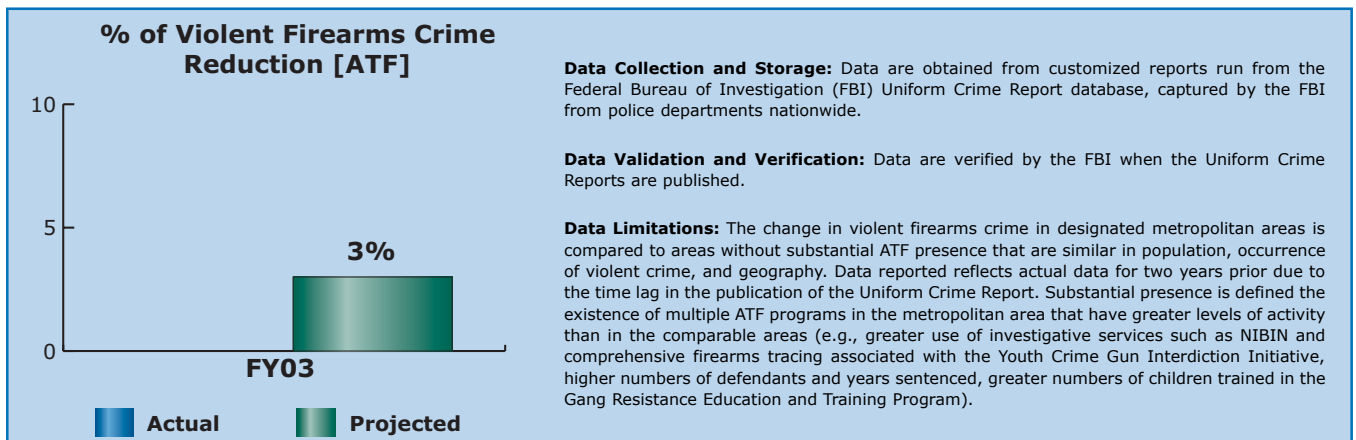
enforcement, industry regulation, industry partnerships, technology, and reducing public safety risk and consumer deception on regulated commodities. Innovation, partnerships, and open communication are employed to fully achieve this strategic goal. ATF works with industry, state governments, and others to make regulation less burdensome. ATF trains, informs, and assists these industry members and government agencies, as well as the public, with the goal of protecting the public and preventing consumer deception.

Ensuring compliance with laws and regulations through education, inspection, and investigation is an integral part of protecting the public. With existing resources, ATF will continue to inspect at least 50 percent of the explosives industry.

Performance Measure: Violent Firearms Crime Reduction [ATF] (**NOTE:** The measure reflects the change in violent firearms crime in designated metropolitan areas compared to areas without substantial ATF presence that are similar in population, occurrence of violent crime, and geography. Data reported reflects actual data for two years prior due to the time lag in the publication of the Uniform Crime Report).

- **FY 2003 Target:** 3% reduction
- **FY 2003 Actual:** Data will not be available for FY 2003 until FY 2005.

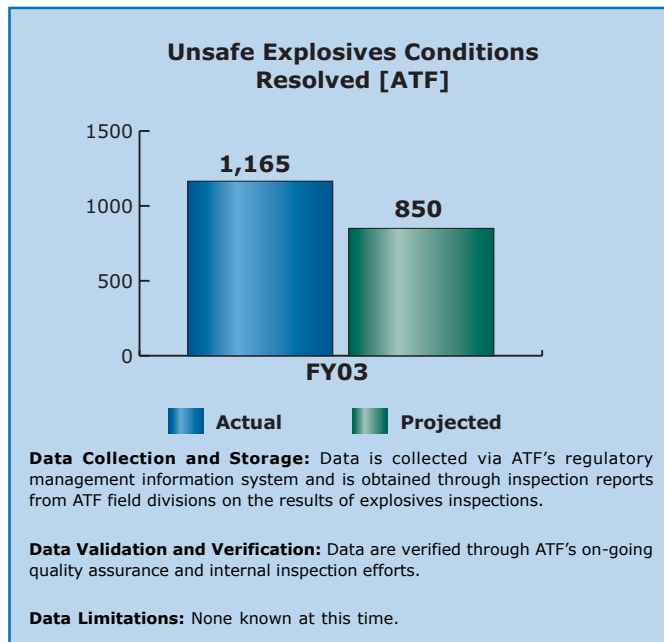
- **Discussion:** ATF, by virtue of the laws it enforces, investigates and brings to justice some of the most violent members of society. ATF's Integrated Violence Reduction Strategy encompasses investigations into the movement of firearms from legal to illegal commerce, domestic and international firearms trafficking, and possession and use of firearms by prohibited people and violent criminals. Among the criminals investigated by ATF in FY 2003 were street gangs, outlaw motorcycle gangs, members of white supremacist organizations, and firearms and narcotics traffickers.



Performance Measure: Unsafe Explosives Conditions Discovered and Resolved by Inspections [ATF] (NOTE: This measure reflects the number of corrections made to unsafe conditions found during inspection activities.)

- **FY 2003 Target:** 850
- **FY 2003 Actual:** 1,165
- **Discussion:** ATF implemented the Safe Explosives Act, which requires all persons who wish to receive explosive materials to acquire a Federal license or permit. The Act enhances ATF's current mission of regulating the explosives industry and protecting the public from explosives incidents and is intended to eliminate the availability of explosives to felons, other prohibited persons, and terrorists.

Informing the public on ATF policies, federal laws and regulation, product safety and theft prevention will remain an important element for securing the safety of the public. ATF works with industry, state governments and others to make regulation less burdensome. ATF trains, informs and assists these industry members and government agencies, as well as the public, with the goal of protecting the public and preventing consumer deception. Specifically, continued liaison efforts with explosives industry members, explosives licensees/ permittees and public safety agencies have become extremely important to mitigate the possibility of terrorists obtaining explosives through the legal explosives industry.



2.1C Reduce the Number of Targeted Gangs

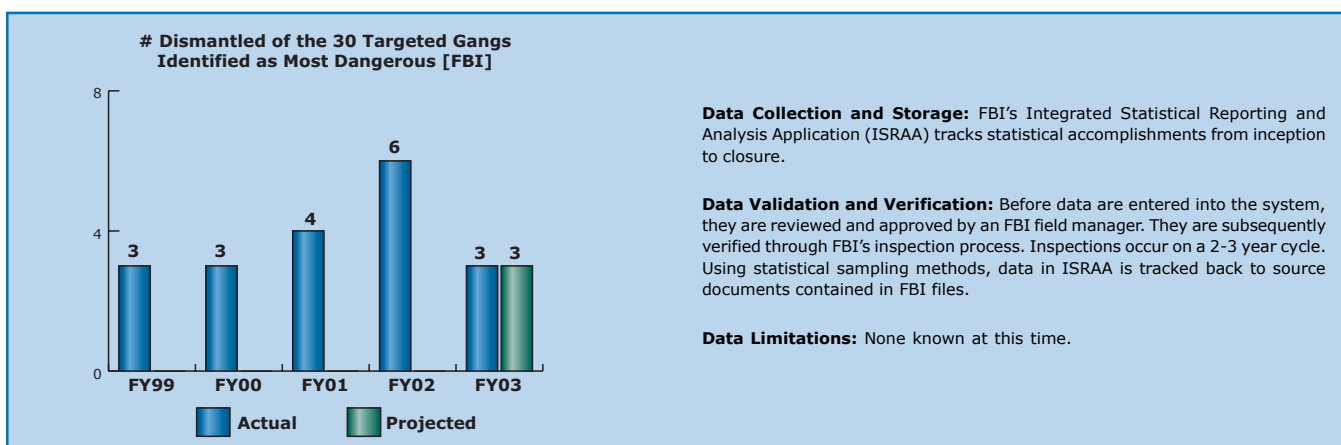
The mission of the FBI's Violent Crimes and Major Offenders Program is to reduce the incidence and impact of crimes of violence and of crimes against property that affect individuals, organizations, and communities. The Program's mission involves the proactive identification, disruption, and dismantlement of criminal enterprises, as well as the swift, efficient, and measured response to serious violent criminal acts, which call upon core FBI jurisdiction, responsibilities, and competencies.

Research shows that victimization costs \$105 billion annually in property and productivity losses and for medical expenses. This amounts to an annual "crime tax" of roughly \$425 for each United States citizen. From the business owner who must pay "protection" money to neighborhood gangs; to families who live like hostages within their own homes, afraid to venture out; to the residents of Indian Country; the harmful impact of violent crime on victims and on society collectively is both psychologically and physically debilitating.

The FBI strives to reduce the level of violent crime by dismantling gangs identified as being the most dangerous. The FBI maintains a "Top 30" list of these gangs each year. The FBI's objective is to dismantle 15 gangs that appear on this list over a 5-year period (an average of 3 per year).

Performance Measure: # Dismantled of the 30 Gangs Targeted by the FBI as the Most Dangerous [FBI]

- **FY 2003 Target:** 3
- **FY 2003 Actual:** 3
- **Discussion:** Cases will be selected based upon the multi-jurisdictional nature, violent activity, affiliation with a group identified in the National Gang Strategy, and/or degree of deleterious effect on the community. These cases are identified at the beginning of each fiscal year and always consist of the 30 most dangerous gangs fitting the criteria above. As cases and investigations are closed, new gangs meeting the established criteria are rotated in to maintain a base of 30.



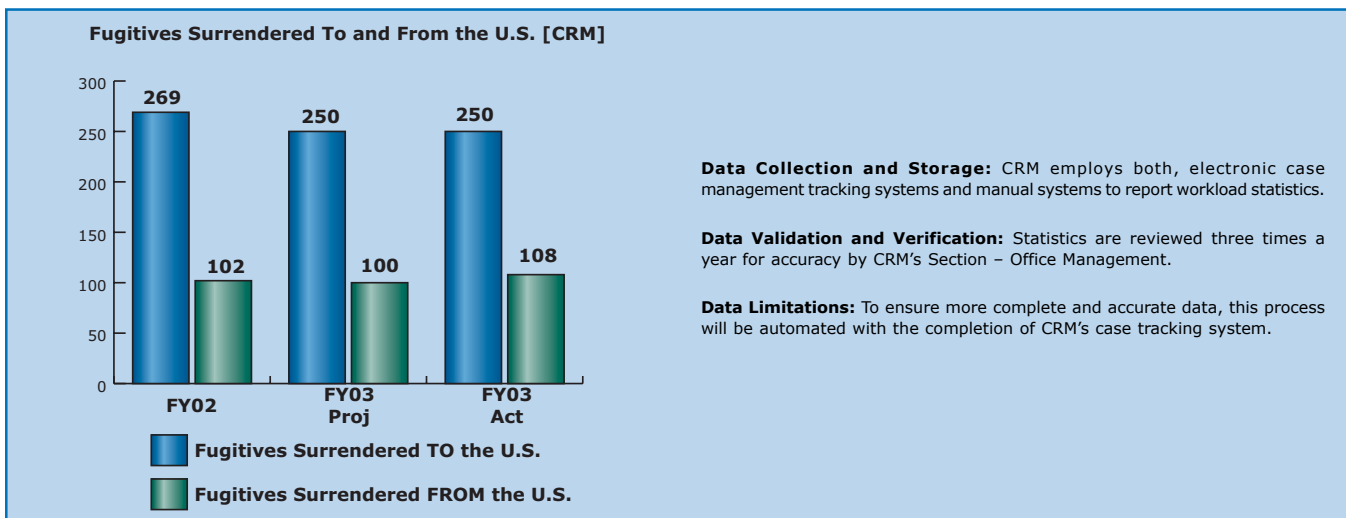
2.1D Increase Cooperation with Foreign Law Enforcement

International law enforcement cooperation is critical to addressing the dramatic growth in the scope of transnational crime such as terrorism, narcotics trafficking, money laundering, fraud, and cybercrime and the immediate threat it poses to the U.S. and the global community. The Department is increasing its emphasis on cooperation with foreign law enforcement and criminal justice officials to make it easier to obtain and provide information and evidence needed to pursue cases against transnational criminals. Working jointly with foreign counterparts is a realistic way to achieve the goals of dismantling international criminal organizations, locating fugitives, and establishing mutually recognized processes for ensuring criminals are brought to justice primarily through the extradition process coordinated and supervised by Criminal Division's (CRM) Office of International Affairs (OIA).

OIA is the Central Authority for the United States under 40 Mutual Legal Assistance Treaties (MLATs) in force and a number of multilateral conventions. As such, OIA makes and receives all MLAT requests and is responsible for the drafting by federal, state, or local prosecutors of requests for bank records or other evidence abroad. OIA insures that the requests are presented to the proper foreign Central Authority, and presses for the execution of the request in a timely manner. OIA also coordinates the execution in the U.S. of requests from foreign countries under the MLATs.

Performance Measure: Number of Fugitives Surrendered To and From the U.S. during the FY [CRM]

- **FY 2003 Target:**
250 fugitives surrendered to the U.S.
100 fugitives surrendered from the U.S.
- **FY 2003 Actual:**
250 fugitives surrendered to the U.S.
108 fugitives surrendered from the U.S.
- **Discussion:** The Criminal Division exceeded its goal for FY 2003. The Office of International Affairs works closely with U.S. federal, state and local prosecutors, as well as with international law enforcement counterparts, to facilitate the surrender of fugitives wanted both in the U.S. and abroad for prosecution or service of sentence.



Strategic Objective & Annual Goal 2.2: Drugs

Reduce the threat, trafficking, and related violence of illegal drugs by identifying, disrupting, and dismantling drug trafficking organizations

2.2A Reduction in the Supply and Use of Drugs within the U.S.

The Department of Justice focuses its drug law enforcement efforts on reducing the availability of drugs by disrupting and dismantling the largest drug supply and money laundering networks operating internationally and domestically, including those on the Attorney General's Consolidated Priority Organization Target (CPOT) List. The Attorney General has designated the Organized Crime Drug Enforcement Task Forces (OCDETF) Program as the centerpiece of this drug supply reduction strategy. The program coordinates multi-agency and multi-regional investigations, targeting the most serious drug trafficking threats. OCDETF functions through the efforts of the U.S. Attorneys; elements of the Department's Criminal Division; the investigative, intelligence, and support staffs of Drug Enforcement Administration (DEA), Federal Bureau of Investigation (FBI), Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF), and U.S. Marshals Service (USMS); the Department of Homeland Security's Bureau of Immigration and Customs Enforcement and the U.S. Coast Guard; and the Department of Treasury's Internal Revenue Service, Criminal Investigation Division. OCDETF agencies also partner with numerous state and local law enforcement agencies. The goal of each OCDETF investigation is to determine connections among related investigations nationwide in order to identify and dismantle the entire structure of the drug trafficking organizations, from international supply and national transportation cells, to regional and local distribution networks. A major emphasis of the Department's drug strategy is to disrupt financial dealings and dismantle the financial infrastructure that supports these organizations and allows them to continually operate.

Performance Measure: DOJ's Reduction in the Supply of Illegal Drugs Available for Consumption Within the U.S. [DEA, OCDETF] (**NOTE:** Data has been refined to remove INS, due to the transfer to the Department of Homeland Security and to reflect the most accurate data available.)

- **FY 2003 Target:** 5% reduction (**NOTE:** This measure reflects drug enforcement efforts focused on all violators regardless of the drug involved; therefore, the target is an overall target and not drug specific.)
- **FY 2003 Actual:** To be determined
- **Discussion:** Measuring reduction in the drug supply is a complex process because supply reduction is a reflection of a number of factors. Drug seizures, eradication efforts, precursor chemical interdictions, cash and asset seizures, increased border/transportation security, international military operations, social and political forces, climatic changes, and even natural disasters all impact the drug supply at any given time. The Department's strategy focuses on incapacitating entire drug networks by targeting their leaders for arrest and prosecution, by disgorging the profits that fund the continuing drug operations, and by eliminating the international supply sources. These efforts ultimately will have a lasting impact upon the flow of drugs in the United States, although the results are not easily measurable in a single year.

Accordingly, the Department also has provided drug seizure data as a means of evaluating its progress toward its ultimate performance goal. While the quantities of drugs seized by law enforcement—which are readily quantifiable—contribute significantly to the overall supply reduction effort, seizures do not fully capture the impact of DOJ's efforts. Moreover, DOJ agencies, through OCDETF and other programs, provide indirect support to law enforcement from the Departments of Treasury, Homeland Security, and others. In this way, they contribute to the more than 104 metric tons of cocaine, 3 metric tons of heroin, 3.6 metric tons of methamphetamine, and 1,283 metric tons of marijuana seized in FY 2003 by all federal agencies.

DOJ's Reduction in Supply of Drugs Through Drug Seizures [DEA]

Drug	FY 2002 Baseline (Pure MT)	FY 2001 Seizures (In MT)	FY 2002 Seizures (In MT)	FY 2003 Seizures (In MT)
Cocaine	260-270	20.3	18.3	18.0
Heroin	13-18	.5	.6	.6
Methamphetamine	110-140	2.8	1.7	1.2
Marijuana	10,000-25,000	159	112	175

MT = Metric Tons

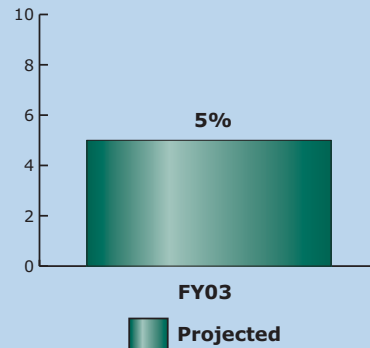
Data Definition: The 2002 baseline reflects the volume of drugs, in pure metric tons, entering or produced in the U.S. prior to distribution and possible dilution. Seizure data reflects the quantities of drugs actually seized, in metric tons, by DOJ agencies, including DEA, FBI, ATF, USMS, all of which participate in OCDEF. Because purities vary once drugs enter the distribution stream, it is not possible at this time to convert this data to pure metric tons.

Data Collection and Storage: Baseline estimates were developed using intelligence data from several sources including but not limited to, the United Nations Office for Drug Control and Crime Prevention; Office of National Drug Control Policy (ONDCP); the National Drug Intelligence Center; and the Federal-wide Drug Seizure System (FDSS).

Data Validation and Verification: An executive-level interagency Steering Committee oversaw this effort and individual interagency working groups were formed to develop availability estimates for each drug type, to include cocaine, heroin, methamphetamine, and marijuana. The working groups met periodically to determine the most appropriate estimation model to be used for each of the drugs and to ensure that all applicable availability data was assessed for inclusion in the estimates. These drug specific working groups then presented their findings to the executive-level Steering Committee for approval.

Data Limitations: The development of credible drug availability estimates was a first-time effort and, thus, there is uncertainty in the estimates. The estimates for cocaine are more precise because they are based on several years of research. However, due to the wide variance in prices and use behavior of heroin users, the lack of information regarding methamphetamine diversion, and the lack of reliable figures regarding domestic marijuana production, these drug estimates are presented in fairly wide ranges. The methodologies are currently being refined. The entry of seizure data into the FDSS is often delayed, resulting in incomplete and lower seizure figures at the time of reporting.

DOJ's Reduction in the Supply of Illegal Drugs Available for Consumption Within the U.S. [DEA, OCDEF] FY 2002 = Baseline



2.2B Disrupt and Dismantle Major Drug Trafficking Criminal Enterprises

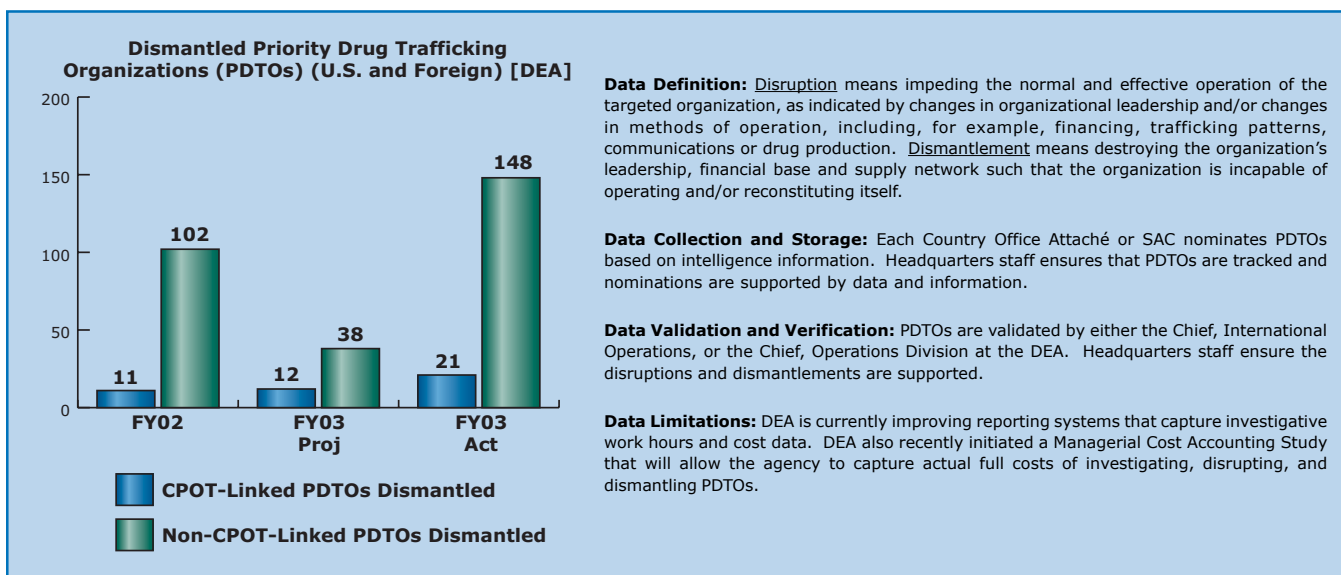
DOJ has developed a single national list of major drug trafficking and money laundering organizations. In response, DEA, the FBI, and the Bureau of Immigration and Customs Enforcement, with input from the intelligence community and other Organized Crime Drug Enforcement Task Force member agencies, identified international command and control organizations representing the most significant international drug organizations threatening the U.S. This list of targets, titled the Consolidated Priority Organization Target (CPOT) list, reflects the most significant international narcotic supply and related money laundering organizations, polydrug traffickers, clandestine drug manufacturers and producers, and major drug transporters supplying the U.S. The list, as well as linked organizations, will be updated periodically to remain current.

The efforts to disrupt and dismantle the CPOTs will be primarily accomplished via multi-agency and multi-regional investigations directed by DEA and the FBI. These investigations focus on the development of intelligence-driven multi-region investigations to identify and target national, international, and regional drug trafficking organizations that play a significant role in the production, transportation, distribution, financial

support or otherwise facilitate large scale drug trafficking. Our ultimate objective is to dismantle these organizations so that reestablishment of the same criminal organization is impossible. This strategy should result in a reduction in the supply of drugs available for consumption in the United States.

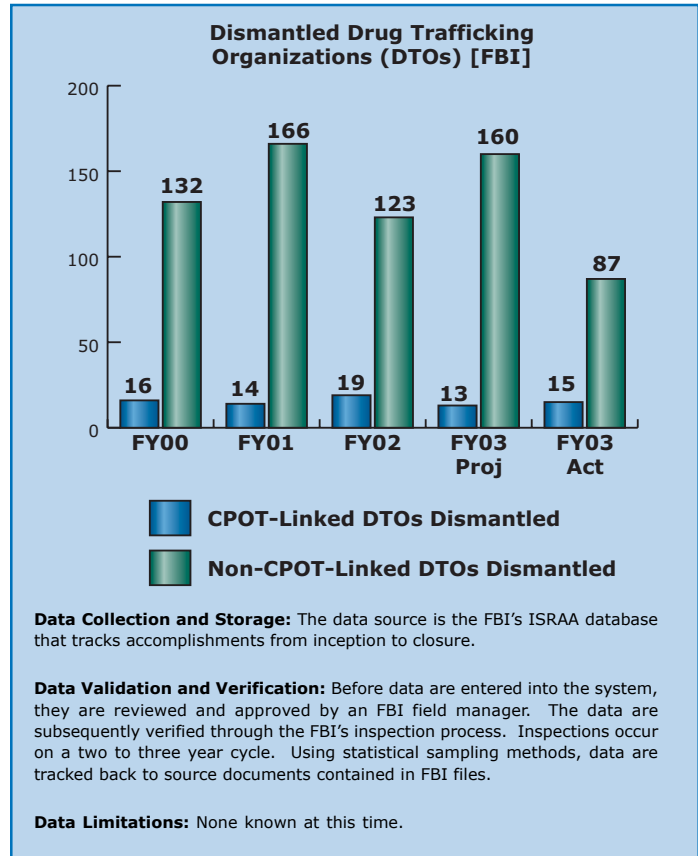
Performance Measure: Dismantled Priority Drug Trafficking Organizations (PDTOs) (U.S. and Foreign) [DEA] (**NOTE:** FY 2002 marks the first year for reporting CPOT data. Since the CPOT list was not created until the summer of 2001, the number of CPOT-Linked organizations cannot be determined for that year. In addition, FY 2002 actual data has been updated to account for changes resulting from the conversion of the manual count to the electronic count.)

- **FY 2003 Target:**
CPOT-Linked PDTOs Dismantled: 12
Non CPOT-Linked PDTOs Dismantled: 38
- **FY 2003 Actual:**
CPOT-Linked PDTOs Dismantled: 21
Non CPOT-Linked PDTOs Dismantled: 148
- **Discussion:** DEA greatly exceeded its FY 2003 targets. In addition to the PDTOs dismantled, there were 24 PDTOs linked to CPOT organizations and 126 PDTOs not linked to CPOT organizations disrupted.



Performance Measure: Dismantled Drug Trafficking Organizations (DTOs) [FBI] (**NOTE:** Prior to FY 2003, the FBI tracked dismantlements through its National Priority Threat List before DOJ established the CPOT list. Data from FY 2002 have been updated to reflect the most current and accurate data available.)

- **FY 2003 Target:**
Dismantled 13 DTOs CPOT-linked
Dismantled 160 Non CPOT-linked DTOs
- **FY 2003 Actual:**
Dismantled 15 DTOs CPOT-linked
Dismantled 87 Non CPOT-linked DTOs
- **Discussion:** During FY 2003, the FBI, with the approval of Congress, shifted 554 agents from drug investigations to counterterrorism and other priority programs and functions. Despite this fact, the FBI’s targeted goal to dismantle 13 CPOT-linked DTOs was exceeded, thus positioning us to continue our dismantling efforts into FY 2004. As predicted, resource reductions made it impossible to meet our goal of dismantling 160 other significant DTOs. There is no doubt, the 554 FBI agents removed from the drug crime effort would have targeted, and ultimately dismantled, a great number of other significant DTOs.



Strategic Objective & Annual Goal 2.3: Espionage

Combat espionage against the United States by strengthening counterintelligence capabilities

2.3A Identify, Prevent, and Defeat Foreign Intelligence Operations

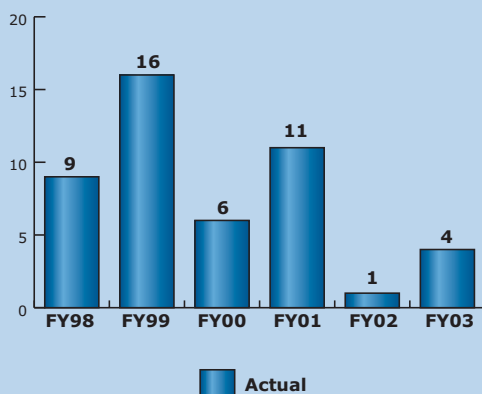
Foreign intelligence operations directed against the United States reflect the complexity and fluidity of the new world order. While the national goals of traditional rivals have changed, their capabilities and willingness to target traditional objectives, such as national defense information, plans and personnel, have not. At the same time, many of these rivals have increased their activities in other sectors affecting our national interests, such as in economic competitiveness. They join a formidable array of other foreign powers jockeying for economic or political preeminence, the success of which is dependent upon effective intelligence operations directed against the United States.

Foreign intelligence threats can never be eliminated given that their origin and impetus lie primarily with sovereign states. They are planned, authorized, and financed by government entities beyond our boundaries and beyond the reach of our laws. Measures of success in these areas will gauge the FBI's capacity to detect potential hostile activities by foreign powers against the United States. In addition, the FBI will analyze its record at preventing and defeating these hostile activities in comparison to the best available estimates of the magnitude of foreign intelligence operations.

Performance Measure: Defeat Intelligence Operations – Foreign Counterintelligence Convictions [FBI]

- **FY 2003 Target:** In accordance with Departmental policy, targeted levels of performance are not projected for this indicator.
- **FY 2003 Actual:** 4
- **Discussion:** The number of convictions indicates a portion of the success the FBI has had in preventing individuals or groups from conducting hostile intelligence activities, because law enforcement methods are one of several methods used to protect against hostile intelligence activities. Convictions may also serve as a deterrent to other individuals who may be susceptible to participating in foreign intelligence operations. The number of convictions is subject to wide fluctuation based on the nature of the program itself. Such fluctuations do not necessarily indicate a change in the success or effectiveness of the program, as it employs various other methods to prevent and combat hostile intelligence activities.

Foreign Counterintelligence Convictions [FBI]



Data Collection and Storage: The data source is the FBI's ISRAA database. The database tracks statistical accomplishments from inception to closure.

Data Validation and Verification: Before data are entered into the system, they are reviewed and approved by an FBI field manager. They are subsequently verified through FBI's inspection process. Inspections occur on a two to three year cycle. Using statistical sampling methods, data in ISRAA are tracked back to source documents contained in FBI files.

Data Limitations: None known at this time.

Strategic Objective & Annual Goal 2.4: White Collar Crime

Combat white collar and economic crime, especially cybercrime

2.4A Reduce Fraudulent Practices in the Health Care Industry

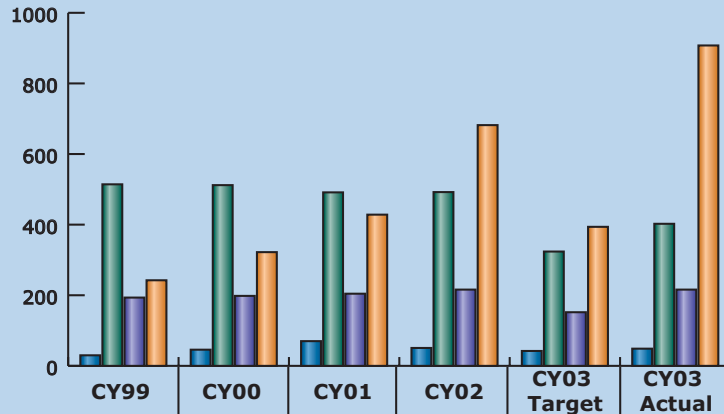
According to the Centers for Medicare and Medicaid Services (CMS), projected growth in health care spending will constitute approximately 17.0% of GDP by 2011, a substantial increase from 13.2% in 2000.

Additionally, the General Accounting Office (GAO) estimated that as much as 10% of annual health care costs may be attributable to fraud. The Department of Health and Human Services (HHS), Office of Inspector General's most recent audit of improper payments in the Medicare fee-for-service program shows that the claims payment error rate was 6.3% (\$12.1 billion) in 2001, which is down from 14% (\$23.2 billion) when the first audit was conducted in 1996. Fraudulent claims submitted to health care insurers and medically unnecessary services performed simply to generate billings are prevalent in every geographical area in the country. Pending cases demonstrate that fraud exists on a national scale, through either corporate schemes to defraud or systemic abuse by certain provider types. Home health care agencies, medical transport companies, suppliers of durable medical equipment, and clinical laboratories are particularly susceptible to fraud. Enhanced use of technology to analyze health care billing data will allow law enforcement and health care program agencies to become more proactive in detecting fraud and abuse, identifying systemic weaknesses and closing loopholes in the system before criminals take further advantage of them.

Performance Measure: Medicare Billings for Durable Medical Equipment (DME) Targeted for Fraud through FBI Investigations (in millions) [FBI] (**NOTE:** DME data for FY 2001 have been updated due to the need to maintain reliability with the current range of DMEs reported under enteral nutrition.)

- **CY 2003 Actual** (Full year projections based upon available data):
 - Diabetic Footwear – \$48.7
 - Enteral Nutrition – \$402.4
 - Manual Wheelchairs – \$216.0
 - Motorized Wheelchairs – \$907.5
- **Discussion:** Although these 2003 Medicare billings data show some increases compared to 2002, FBI investigations into Medicare fraud involving durable medical equipment (DME) are likely to demonstrate reductions within the next few years. There are several factors to consider when reviewing these data. Even without extensive fraud, the aging of the Medicare customer population builds in an expectation of increased costs over the next several years. This pressure on Medicare billings will blunt the initial impact of FBI investigations until later in the criminal justice process, when criminals and/or organizations engaged in fraud are brought to trial. Specifically, major investigative initiatives into motorized wheelchairs will likely show results as investigations are completed and unnecessary orders of motorized wheelchairs shift to more inexpensive manual wheelchairs. The FBI notes that some of the cost savings achieved in therapeutic shoes for diabetics came from CMS's decision to discontinue a payment category for multiple density shoe inserts. However, this category of Medicare goods was the target of an FBI investigation into widespread fraudulent and abusive billing practices that highlighted the problems with billings for these DMEs. Complete calendar year data for 2003 should be available after the end of the first quarter of 2004.
- **CY 2003 Projection** (Based on previous estimates for CY 2002):
 - Diabetic Footwear - \$42.2
 - Enteral Nutrition - \$323.8
 - Manual Wheelchairs - \$151.9
 - Motorized Wheelchairs – \$393.8

Medicare Billings for Durable Medical Equipment Targeted for Fraud (mil) [FBI]



	CY99	CY00	CY01	CY02	CY03 Target	CY03 Actual
Diabetic Footware	29.9	45.8	70.0	50.7	42.2	48.7
Enteral Nutrition	514.2	511.9	490.0	492.2	323.8	402.4
Manual Wheelchairs	193.4	198.2	204.4	216.0	151.9	216.0
Motorized Wheelchairs	242.4	322.1	428.3	681.9	393.8	907.5

Data Definition: Enteral Nutrition is defined as the provision of nutritional requirements through a tube into the stomach or small intestine.

Data Collection and Storage: Data are collected from databases maintained by regional carriers and stored by the Centers for Medicare and Medicaid Services (CMS). Durable medical equipment information is collected from the Part B Extract Summary System (BESS).

Data Validation and Verification: Validation and verification of the data are performed by regional carriers and by CMS.

Data Limitations: Claims data from CMS are reported on a calendar year basis. BESS data are adjusted based upon the estimate of claims received through September, 2003. Changes in the Medicare payment system due to legislative or regulatory action are taken into account so that comparisons of data from previous years are reliable. See Discussion for further information.

2.4B Combat Fraud

Private industry in the U.S. controls trillions of dollars in assets, an inviting target for criminal schemes ranging from technological attacks on a corporation's intellectual property to more traditional attempts to defraud. The challenge facing the FBI in this area is to create and maintain a strong deterrent capability that will prevent criminal organizations from defrauding, and thereby weakening, U.S. industries. To prevent significant levels of fraud, the FBI must be able to identify emerging trends and industry vulnerabilities and enlist the cooperation of the private sector.

The overwhelming number of frauds committed each year far exceeds the FBI's capacity to investigate and prosecute each individually. Accordingly, the FBI will concentrate on the most significant crime problems, leverage limited resources through cooperative efforts with affected industries and other law enforcement agencies, and implement a preventive strategy that will rely heavily on improved intelligence.

The current focus in the area of fraud revolves around the President's Corporate Fraud Task Force, created by Executive Order, under the direction of the Deputy Attorney General to oversee and coordinate the Department's and the Federal Government's efforts to investigate, prosecute, and punish corporate fraud. The Corporate Fraud Task Force has thus far coordinated hundreds of investigations of accounting misstatements, fraudulent enrichment, and obstruction of justice at companies large and small.

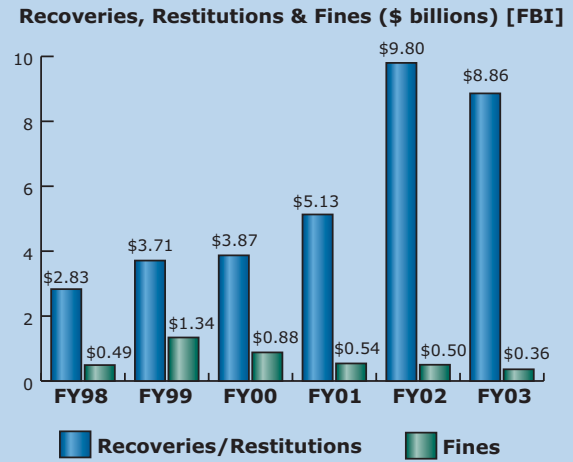
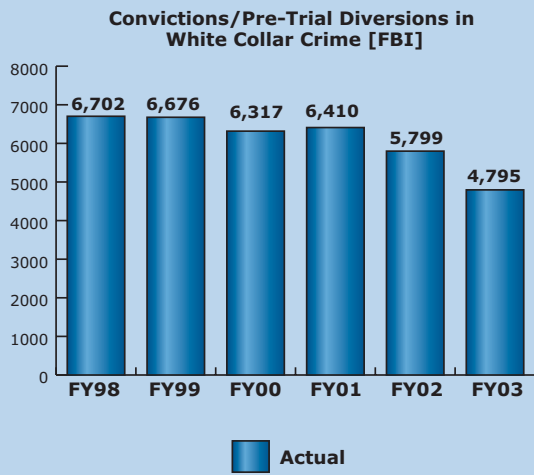
These efforts have yielded significant indictments and pleas in matters involving WorldCom, Enron, Adelphia, Homestore.Com, Peregrine Systems, El Paso Corporation, ImClone, Newcom, Commercial Financial Services, and other companies.

Performance Measure: Convictions/Pre-Trial Diversions in White Collar Crime [FBI] (**NOTE:** Public Corruption program data are not included, see 2.4C.)

- **FY 2003 Target:** In accordance with Departmental policy, targeted levels of performance are not projected for this indicator.
- **FY 2003 Actual:** 4,795
- **Discussion:** The FBI is still developing performance measures that will reflect its ability to prevent and deter significant fraud in the U.S.

Performance Measure: Recoveries, Restitutions, and Fines (in billions) in White Collar Crime [FBI] (**NOTE:** Public Corruption program data are not included, see 2.4C.)

- **FY 2003 Target:** In accordance with Departmental policy, targeted levels of performance are not projected for this indicator.
- **FY 2003 Actual:** Recoveries and Restitutions: \$8.86 billion; Fines: \$355 million
- **Discussion:** See above.



Data Collection and Storage: The data source is the FBI's ISRAA database. The database tracks statistical accomplishments from inception to closure.

Data Validation and Verification: Before data are entered into the system, they are reviewed and approved by an FBI field manager. They are subsequently verified through the FBI's inspection process. Inspections occur on a two to three year cycle. Using statistical sampling methods, data in ISRAA are tracked back to source documents contained in FBI files.

Data Limitations: None known at this time.

2.4C Combat Public Corruption

Public corruption is a serious crime against both the individual and society as a whole. All public corruption offenses, regardless of the type, share a common objective: to pervert our representative system of government and replace it with a government of special interests. Furthermore, the higher the office or level of government tainted by the corruption, the broader the negative effects. The Department, therefore, places a high priority on attacking public corruption by senior government officials. The Public Corruption Unit of the FBI believes a significant amount of corruption is untouched. The FBI addresses this problem, both domestically and internationally, by determining likely points of corruption, and then cultivating an intelligence base within government and/or the business entity and monitoring activity.

Over the past five years, there have been more than 600 subjects in law enforcement corruption cases. There is a growing trend of law enforcement corruption cases involving law enforcement officers actively participating in criminal acts, rather than merely protecting such actions. The single greatest obstacle to a law enforcement corruption investigation is the fact that police departments throughout the country regard their own corruption issues as their own "dirty laundry" not to be taken outside the agency.

Performance Measure: Convictions/Pre-trial Diversions in Public Corruption [FBI]

- **FY 2003 Target:** In accordance with Departmental policy, targeted levels of performance are not projected for this indicator.
- **FY 2003 Actual:** 560
- **Discussion:** At this time, the FBI believes that its strategic emphasis in fighting public corruption will yield greater statistical accomplishments in the future.

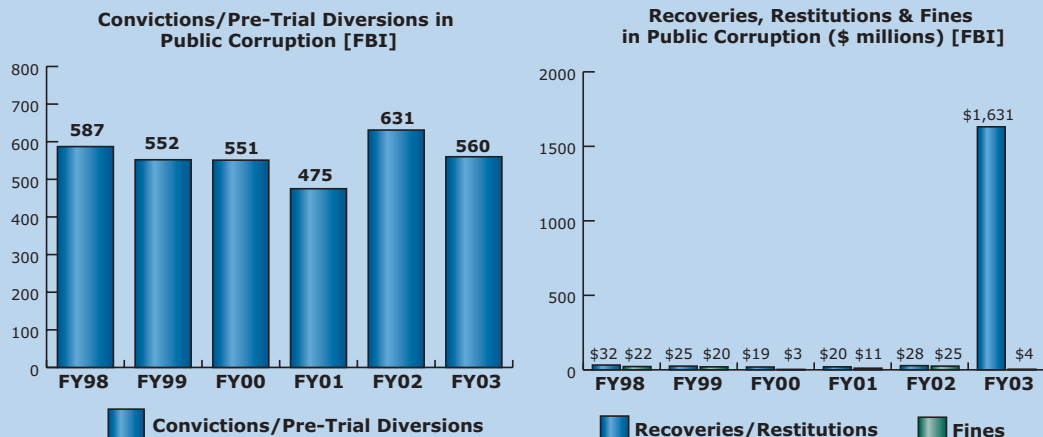
Performance Measure: Recoveries, Restitutions, and Fines in Public Corruption (in millions) [FBI]

- **FY 2003 Target:** In accordance with Departmental policy, targeted levels of performance are not projected for this indicator.
- **FY 2003 Actual:** Recoveries and Restitutions: \$1,631 million; Fines: \$4.22 million
- **Discussion:** The substantial increase in restitutions/recoveries reported for FY 2003 is due to a single investigation of New York City tax assessors taking bribes in return for reduced tax assessments for the past 60 years. Since the estimated loss to the city in tax revenue amounted to billions of dollars, the judge in the case ordered several million dollars in restitutions for each of the 20 city tax assessors involved. Even though it is extremely unlikely that even a little of that money will be collected, the overall court-ordered restitution from that case amounts to \$1.63 billion.

Data Collection and Storage: The data source is the FBI's ISRAA database. The database tracks statistical accomplishments from inception to closure.

Data Validation and Verification: Before data are entered into the system, they are reviewed and approved by an FBI field manager. They are subsequently verified through the FBI's inspection process. Inspections occur on a two to three year cycle. Using statistical sampling methods, data in ISRAA are tracked back to source documents contained in FBI files.

Data Limitations: None known at this time.



2.4D Investigate and Prosecute High Technology Crimes

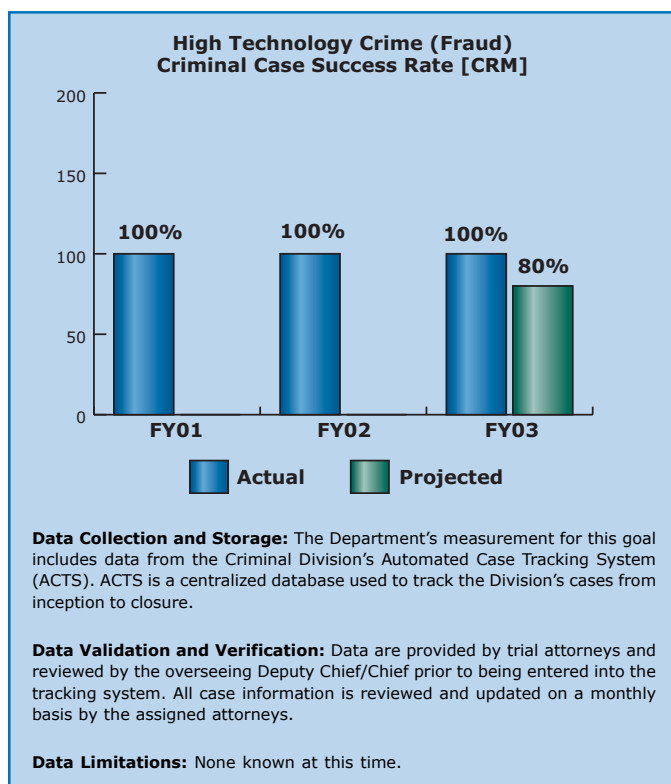
The United States Attorneys' offices and the Criminal Division are key players in this strategic objective because they prosecute violators of federal criminal law, seek punishment of those guilty of unlawful behavior, and represent the United States in specialized litigation, such as the investigation and prosecution of high technology crimes. With the continuing expansion of the Internet as a global medium for electronic commerce and communications, the type of cybercrime most likely to cause significant harm to consumers and businesses here and abroad, and to undermine consumer confidence, is Internet fraud. There are substantial increases in various fraud schemes involving the Internet, such as online auction fraud, stock manipulation schemes, credit card fraud, false business or investment opportunities, ponzi/pyramid schemes, and identity theft.

Performance Measure: High Technology Crime (Fraud) Criminal Case Success Rate [CRM]

- **FY 2003 Target:** 80%
- **FY 2003 Actual:** 100%
- **Discussion:** The Criminal Division has exceeded its goal for FY 2003. On August 13, 2003, Charles W. Kallmann, former chief executive officer of 37Point9, Inc. was sentenced to six months incarceration, three years supervised release, and payment of a \$5,000 for securities fraud stemming from his false press releases promoting the sale of a purported anti-anthrax product to bolster his company's thinly traded "penny stock" during the 2001 anthrax scare.

On August 20, 2003, seven individuals were indicted in connection with a securities "pump and dump" scheme involving 2DoTrade, Inc (traded as TDOT). The indictment charges the co-conspirators fraudulently pumped up the price and volume of TDOT stock by engaging in aggressive and misleading promotional campaigns, while profiting by dumping their stock into an artificially inflated market to unsuspecting investors. While the defendants collectively sold over \$1.6 million worth of TDOT stock, they were prevented from selling additional shares when the SEC suspended trading in TDOT shares.

In addition, the Criminal Division's Fraud Section was responsible for arranging and coordinating with the FBI and 43 U.S. Attorneys Offices "Operation E-Con," a nationwide sweep to prosecute Internet fraud and other economic crimes involving the Internet. This operation, which culminated in a national takedown on May 16, 2003, involved the charging or conviction of more than 130 individuals, the execution of more than 70 search and seizure warrants, and the seizure of \$17 million. Operation E-Con involved more than 90 investigations involving 89,000 victims and estimated losses of more the \$176 million. Participating agencies in this operation included, in addition to the FBI, the Postal Inspection Service, the U.S. Secret Service, the Federal Trade Commission, and the Bureau of Immigration and Customs Enforcement, as well as various state and local law enforcement agencies in the United States and other countries.



2.4E Prosecute International Price Fixing Cartels

The Department's Antitrust Division (ATR) decreases and deters anticompetitive behavior affecting U.S. businesses and consumers by investigating and prosecuting violations of our Nation's antitrust laws. While DOJ remains vigilant in the face of all criminal antitrust activity, DOJ has placed a priority on the successful prosecution of international price fixing cartels. These cartels pose a number of challenges in that they are highly sophisticated; significant for the large volumes of commerce involved; and extremely broad in terms of the number of businesses and consumers affected. ATR is committed to meeting these challenges in order to ensure the arrest of unlawful conduct, wherever it occurs, that causes injury in the United States. Successful enforcement of these laws decreases and deters anticompetitive behavior which saves U.S. consumers millions of dollars, allows them to receive goods and services of the highest quality at the lowest price, and enables U.S. businesses to compete on a level playing field nationally and internationally.

Performance Measure: Success Rate for Antitrust Criminal Cases [ATR]

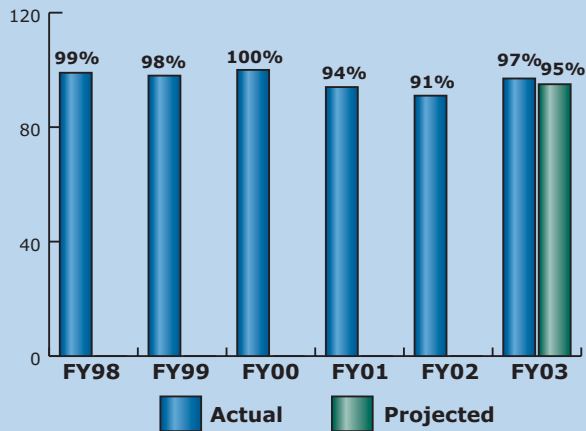
- **FY 2003 Target:** 95%
- **FY 2003 Actual:** 97%
- **Discussion:** ATR has been aggressive in its pursuit of criminal anticompetitive behavior, exceeding its targeted 95% success rate in FY 2003. ATR continues to pursue bid rigging,

price fixing, international cartels and other market allocation schemes that cause higher prices for United States consumers and unfair competition for the business community. ATR's high rate of success in prosecuting these criminal enterprises aids in the goal of keeping competition fair in U.S. markets.

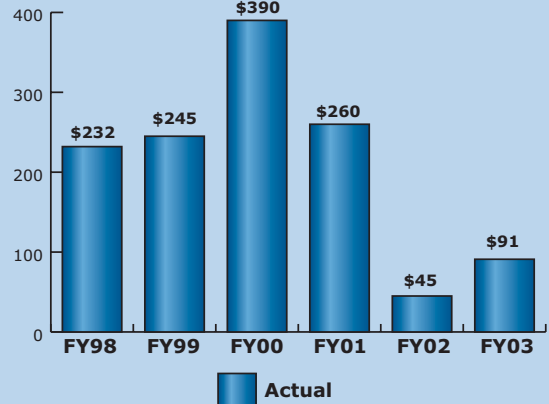
Performance Measure: Savings to U.S. Consumers (as a result of the Antitrust Division's Criminal enforcement efforts) [ATR]

- **FY 2003 Target:** In accordance with Departmental policy, targeted levels of performance are not projected for this indicator.
- **FY 2003 Actual:** \$91 million
- **Discussion:** In the criminal enforcement area, ATR continued to provide economic benefits to U.S. consumers and businesses in the form of lower prices and enhanced product selection by dismantling international private cartels and restricting other criminal anticompetitive activity. The estimated value of consumer savings generated by our criminal efforts is contingent upon the size and scope of the matters encountered and thus varies significantly. For FY 2003, the illegal activity prosecuted in successfully resolved criminal cases affected an estimated \$915 million in volume of commerce in the relevant markets.

Success Rate for Antitrust Criminal Cases [ATR]



Savings to U.S. Consumers (as a result of the Antitrust Division's Criminal enforcement efforts) [ATR]



Data Collection and Storage: Data is collected and stored in ATR management information systems, primarily in the Matter Tracking System and its companion user interfaces.

Data Validation and Verification: User training and software guides encourage accurate data entry. Instantaneous online data validations include inter-element cross-checks, numeric range checks, single element list-of-values checks and mandatory data element checks. In addition, batch data analysis and ad hoc reviews are conducted periodically. Finally, programmatic review of data helps assure the quality.

Data Limitations: Savings to U.S. consumers uses the volume of commerce affected by the conspiracy and the estimated price effect of the conspiracy. Volume of commerce is based on the best available information from investigative and public sources. We are limited in our ability to estimate the price effect, and thus in most cases rely on the 10% figure cited in the U.S. Sentencing Guidelines Manual as the average gain from price fixing. A 1-year estimate of savings may be significantly underestimated as many conspiracies exceed 1 year.

2.4F Prosecute Environmental and Wildlife Crimes

Vigorous prosecution remains the cornerstone of the Department's integrated approach to ensuring broad-based environmental compliance. It is the goal of investigators and prosecutors to discover and prosecute criminals before they have done substantial damage to the environment (including protected species), seriously affected public health, or inflicted economic damage on consumers or law-abiding competitors. The Department's environmental protection efforts depend on a strong and credible criminal program to prosecute and deter future wrongdoing. Highly publicized prosecutions and tougher sentencing for environmental criminals are spurring improvements in industry practice and greater environmental compliance. Working together with federal, state and local law enforcers, DOJ is meeting the challenges of increased referrals and more complex criminal cases through training of agents; officers and prosecutors; outreach programs; and domestic and international cooperation.

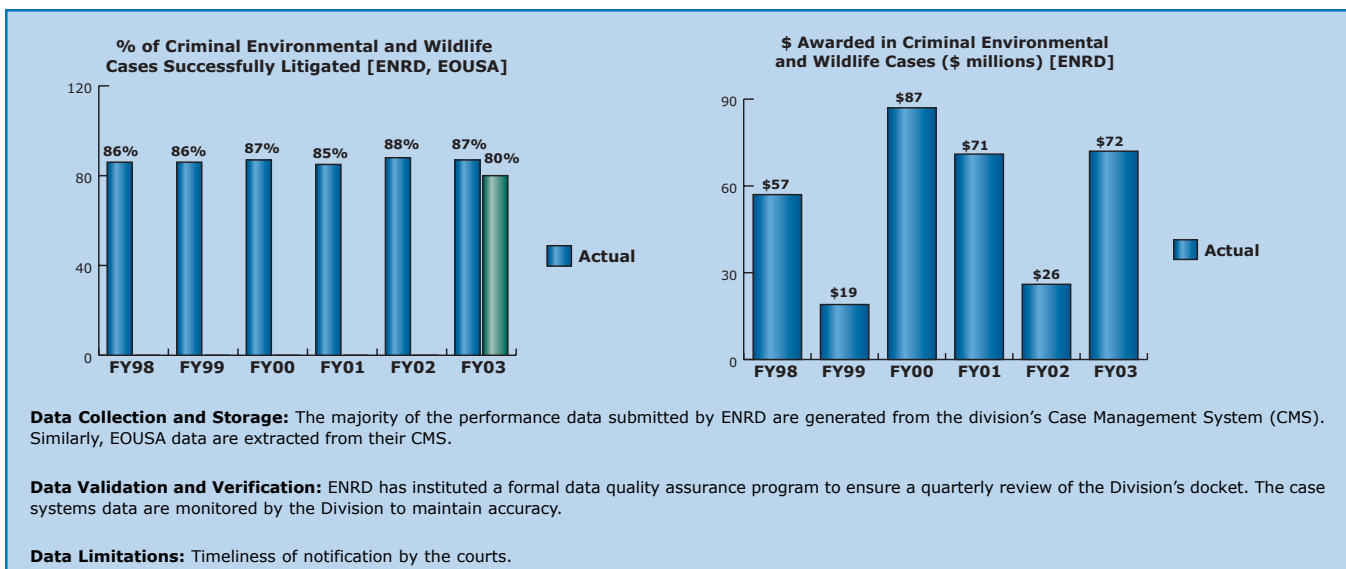
Performance Measure: Percent of Criminal Environmental and Wildlife Cases Successfully Litigated [ENRD]

- **FY 2003 Target:** 80%
- **FY 2003 Actual:** 87%
- **Discussion:** We have exceeded our original FY 2003 goal of 80% by 7 percentage points. FY 2003 successes include a \$1.5 million fine in addition to over \$8 million in restitution for a

massive explosion at a refinery where the company pled guilty to negligent endangerment under the Clean Air Act. In another success, the world's largest meat producer pled guilty to 20 felony violations of the Clean Water Act and agreed to pay combined federal and state damages in the amount of \$7.5 million. The firm illegally discharged untreated wastewater from poultry processing into a tributary of a large river watershed. Additionally, a defendant was sentenced to serve 41 months in prison and fined \$36 thousand for illegally smuggling caviar into the United States and organizing a conspiracy in violation of wildlife laws.

Performance Measure: \$ Awarded in Criminal Environmental and Wildlife Cases [ENRD Only]

- **FY 2003 Target:** In accordance with Departmental policy, targeted levels of performance are not projected for this indicator.
- **FY 2003 Actual:** \$71.8 million in fines and restitution
- **Discussion:** FY 2003 successes include the cases mentioned above, and four maritime corporations that were ordered to pay a \$5 million fine for illegally discharging oil sludge from cargo ships that regularly travel through the Alaskan waters.



2.4G Prosecute Tax Fraud

The Department's Tax Division's (TAX) criminal enforcement objective is to vigorously and consistently enforce the criminal tax laws in order to punish offenders, deter future violations and reassure honest taxpayers that they will not bear an undue share of the federal tax burden. The Tax Division accomplishes this goal by reviewing proposed criminal tax prosecutions and by assisting the United States Attorneys' offices (USAOs) and the IRS in the investigation and prosecution of criminal tax cases. In addition, the Tax Division provides assistance in treaty negotiations and foreign evidence gathering in criminal tax matters.

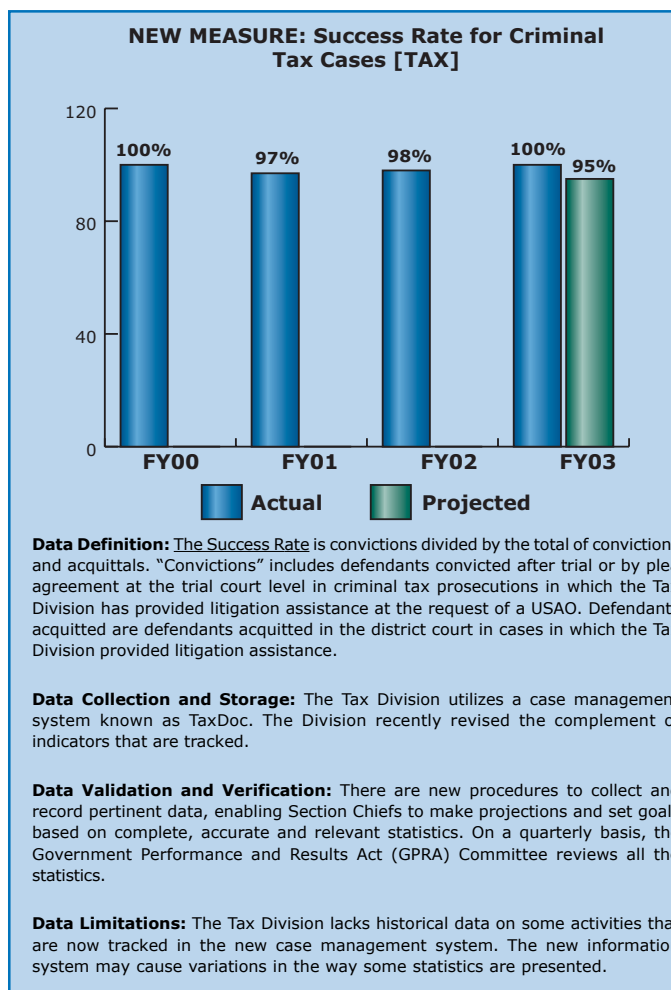
The Tax Division reviews cases to ensure that prosecutions meet federal criminal tax enforcement standards and to provide guidance about how most effectively to litigate cases. The matters reviewed include criminal charges found in the IRS Code as well as applicable offenses found in Titles 18, 21, and 31 of the United States Code. The case review process is essential to the Tax Division's supervisory oversight of criminal tax matters because it enables the Division to provide critical guidance to the USAOs about complex substantive and procedural federal tax issues, challenges presented by the use of indirect methods of proof, and unique evidentiary and sentencing issues that arise in criminal tax cases. The number of authorized tax prosecutions is on the rise after a decade of decline, and the rate of convictions in criminal tax trials remains high, advancing the Tax Division's goal of fostering general deterrence.

The Tax Division successfully handles a substantial number of criminal tax investigations and prosecutions. These are generally undertaken at the request of USAOs that lack resources or do not have the expertise required to prosecute a particular case. The Tax Division also undertakes cases with significant regional or national significance. The cases range from illegal tax protesters to complex white collar fraud cases. Some cases involve illegal international business transactions, complex tax issues, and foreign evidence-gathering problems. The Tax Division also focuses on the prosecution of legal-source income cases, wherein the violation involves income that is legally earned as opposed to income derived from illegal conduct. Legal source income

prosecutions have a significant deterrent impact, because most taxpayers earn their income from legal sources. Tax charges also may be used in prosecutions related to corporate fraud, terrorist financing and drug enforcement.

Performance Measure: NEW MEASURE: Success Rate for Criminal Tax Cases [TAX]

- **FY 2003 Target:** 95%
- **FY 2003 Actual:** 100%
- **Discussion:** As a result of the Tax Division's litigation efforts, the government succeeded in securing the convictions of 83 defendants in tax cases handled by Tax Division attorneys.



2.5A Identify and Apprehend Child Predators and Locate Children

The FBI's Crimes Against Children (CAC) program in coordination with the Criminal Division's Child Exploitation and Obscenity Section work to reduce the vulnerability of children to acts of sexual exploitation and abuse; develop a nationwide capacity to provide a rapid, effective investigative response to reported crimes involving the victimization of children; and strengthen the capabilities of state and local law enforcement investigators through training programs and investigative assistance.

Crimes against children impact not only the victims, but also their families, communities and law enforcement. Although the impact cannot be quantified, crimes against children clearly raise safety concerns for our citizens within their communities. Subjects who prey on children typically are not first time offenders, but rather are serial offenders who may have traveled interstate during the commission of multiple offenses targeting children. Most importantly, rapid, effective response to incidents of crimes against children could literally mean life or death for a victim.

Performance Measure: Convictions/Pre-Trial Diversions for Crimes Against Children Via online Computer Usage [FBI]

- FY 2003 Target:** In accordance with Departmental policy, targeted levels of performance are not projected for this indicator.

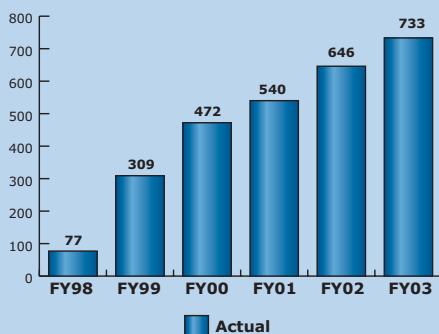
- FY 2003 Actual:** 733

- Discussion:** The FBI will continue to make efforts to apprehend those who commit sexual exploitation offenses against children, including those who traffic in child pornography. The objective of the strategy is to reduce the number of victimized children and to increase the rate of identification and apprehension of child pornographers. Facilitation of crimes against children through the use of a computer and the Internet is a national crime problem that is growing dramatically. Statistics in this area have recently doubled annually. The FBI targets individuals involved in sexual exploitation of children by focusing its investigative efforts towards travelers/enticers (i.e., those who entice minors to meet them in order to engage in sexual acts), and enterprises involved in the manufacture and distribution of child pornography.

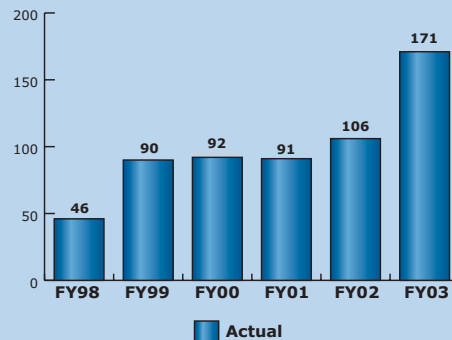
Performance Measure: Number of Missing Children Located [FBI]

- FY 2003 Target:** In accordance with Departmental policy, targeted levels of performance are not projected for this indicator.
- FY 2003 Actual:** 171
- Discussion:** See above.

Convictions/Pre-Trial Diversions for Crimes Against Children Via Online Computer Usage [FBI]



Number of Missing Children Located [FBI]



Data Collection and Storage: The data source is a record system maintained by the FBI Crimes Against Children Unit, Violent Crimes and Major Offenders Section, Criminal Investigative Division. Data from the Integrated Statistical Reporting and Analysis Application (ISRAA) are not used because prior to FY 2000, ISRAA did not record data for this specific type of crime.

Data Validation and Verification: Before data are entered into the system, they are reviewed and approved by an FBI field manager and by FBI HQ program personnel. They are subsequently verified through FBI's inspection process. Inspections occur on a 2-3 year cycle.

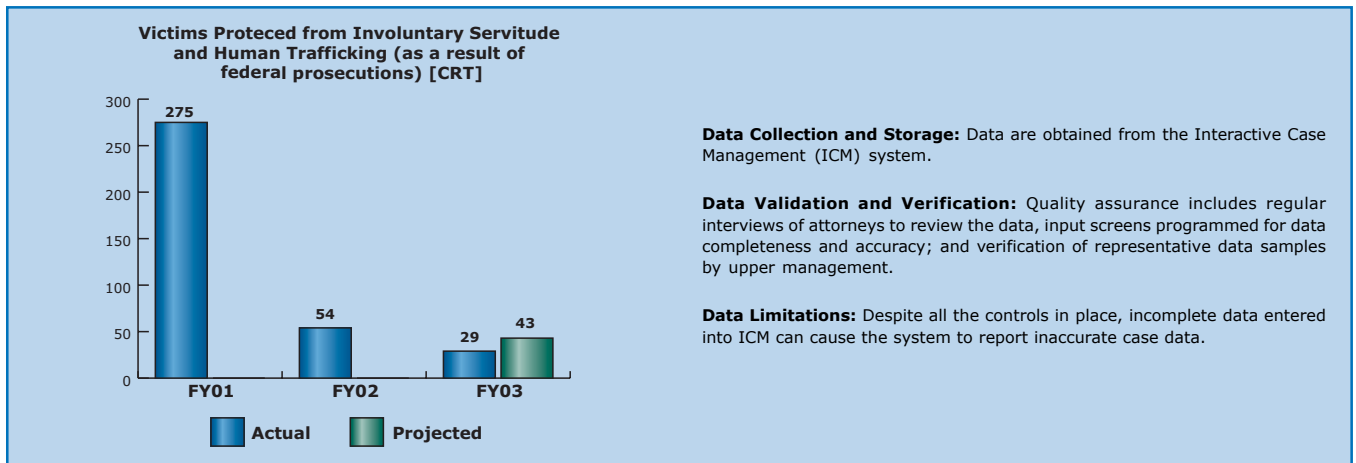
Data Limitations: None known at this time.

2.5B Enforce the Victims of Trafficking and Violence Protection Act

The Department's Civil Rights Division's (CRT) Criminal Section works closely with the FBI and the Bureau of Immigration and Customs Enforcement to identify victims, many of whom are women and children, of illegal trafficking and to investigate and prosecute incidents involving criminal violations of federal civil rights crimes. The Victims of Trafficking and Violence Protection Act of 2000 expanded the scope of the federal enforcement authority over slavery offenses. This new law strengthened our ability to investigate and prosecute slavery offenses. We are continuing our outreach programs in this area in an effort to coordinate slavery and trafficking enforcement efforts throughout the nation.

Performance Measure: Victims Protected from Involuntary Servitude and Human Trafficking (as a result of federal prosecutions) [CRT]

- **FY 2003 Target:** 43
- **FY 2003 Actual:** 29
- **Discussion:** During FY 2003, CRT did not meet its goal of 43 victims protected due to several factors. The number of victims protected is largely dependent upon the case complexity and duration. Also, the number of victims involved, may vary greatly cases .



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