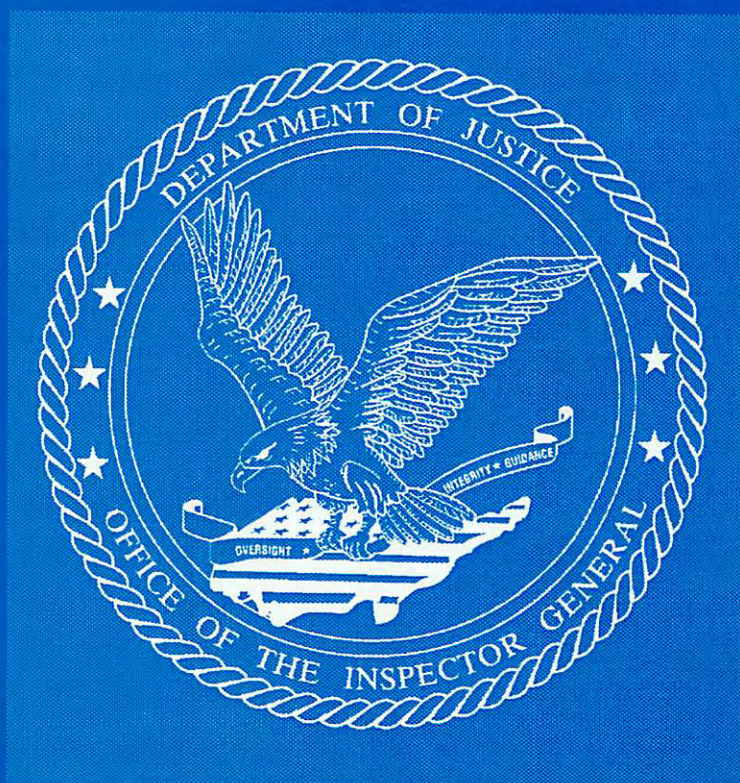

Office of the Inspector General

Semiannual Report to Congress

October 1, 1991 - March 31, 1992



Established April 14, 1989

A Special Tribute



**Marie Lutomski and
Inspector General Richard J. Hankinson**

The Office of the Inspector General nominated Marie Lutomski, Immigration Inspector, Baltimore, Maryland District, Immigration and Naturalization Service, for an Attorney General's Award. Lutomski received the Attorney General's Award for Distinguished Service on January 31, 1992, in recognition of her integrity, devotion to duty, and courage she demonstrated during a long-term undercover operation. That effort resulted in the arrest of an attorney and two co-conspirators who attempted to bribe Lutomski.

In October 1990, an attorney offered a bribe to Lutomski, a Legalization Adjudicator, to favorably adjudicate fraudulently filed applications for temporary resident status. Lutomski reported the offer to the Department's Office of the Inspector General and cooperated in the investigation by posing as a corrupt immigration official. For the next four months, she not only performed her normal duties, but also met several times a week—often late into the night—with the attorney and the illegal aliens who were fraudulently attempting to gain legal status.

During these meetings, Lutomski wore covert recording devices and obtained incriminating statements and \$72,000 in bribes from the attorney and two co-conspirators. Lutomski's efforts led to the operation's successful conclusion in which the attorney pleaded guilty to conspiracy and bribery charges, and forfeited \$566,000 in cash seized at her office and residence.

Lutomski's commitment to integrity exemplifies how important Departmental employees are to the accomplishment of the OIG's mission. We thank her and all the other employees who have helped us in our work.

Foreword

This report summarizes the Office of the Inspector General (OIG) activities for the 6-month period ending March 31, 1992.

Our accomplishments again show significant impact on Department of Justice programs and operations with our audits, inspections, and investigations yielding impressive results. We also continue our focus on specific DOJ activities that the Department and OMB have identified as "high risk" areas for fraud, waste, and abuse.

The OIG has just celebrated the third anniversary of its establishment on April 14, 1989. The Department's support during these three years has been genuine and heartening. I look forward to the coming year.

Richard J. Hankinson

This is the sixth semiannual report issued by the Department of Justice Office of the Inspector General. It reports on projects that conclude our FY91 Audit and Inspections Workplan and on some projects that are part of our FY92 Workplan. Much of the FY92 work is in progress and will be reported in the next semiannual.

The OIG has sharpened its focus on the Department's \$2.2 billion procurement and contracting activities, starting work during this reporting period that will increasingly test whether these large expenditures are safe from fraud and waste. In addition, the Office has given particular attention to Bureau of Prisons Halfway Houses, approaching the subject both from an investigative and an audit perspective, and finding that they can be better used to save money and provide some additional relief to prison overcrowding. Finally, the Office has taken a look inward and initiated several programs to assure that our own work for the Department is of the highest quality and professionalism.

Investigations: Arrests increased by 92 percent, and indictments by 21 percent over the preceding 6-month period. Bribery to get INS documentation and bring drugs into the country continues to be a staple of our caseload. During this period, cases totaling approximately \$400,000 to \$500,000 in such payments were closed by arrest or conviction. Significant amounts of drugs were also seized as a by-product of several bribery cases. In addition, OIG special agents completed investigations involving almost \$270,000 in thefts from the Department by its own employees, and sever-

al other cases involving DOJ employees who stole from prison inmates and alien detainees.

Audit: The Audit Division spotlighted five Departmental high risk areas—completing three projects relative to prison management, issuing 123 reports on trustees in the bankruptcy program, and reporting on private counsel debt collection and two funds of the Department's seized and forfeited asset program. The Division identified a multi-million dollar potential cost savings as a part of its review of overtime practices at the Immigration & Naturalization Service and completed a review of the sensitive undercover operations funds at the FBI and DEA. In addition, the Division issued 158 reports encompassing 730 contracts, grants, and other agreements totaling more than \$264 million.

Inspections: A recommendation made by the Division (mentioned in a previous report) to INS was recently implemented and resulted in projected additional \$3 million in revenue to the Department. During this reporting period, the Division also reviewed the payments made to DOJ employees stationed in South America as part of Operation Snowcap, examined portions of the asset seizure program, and assessed the work of other DOJ evaluations units.

Executive Summary

Table of Contents

Office of the Inspector General

Overview _____ 1

Executive Direction	2
PCIE	4
Review of Legislation	4
High Risk Areas	5

Investigations Division _____ 6

Significant Investigations	7
Investigative Statistics	10

Audit Division _____ 13

Significant Audits	13
Audit Statistics	17

Inspections Division _____ 20

Significant Inspections	20
Inspections Workload	22

Appendices _____ A-1

Overview

T

Mission

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

Organization

The OIG carries out this mission through four components:

- The Audit Division, headquartered in Washington, D.C., has field offices in San Francisco, Denver, Dallas, Atlanta, Chicago, Falls Church, and Philadelphia.

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

- The Inspections Division is headquartered in Washington, D.C.

- The Management and Planning Division is headquartered in Washington, D.C.

Staffing and Budget

For FY 92 the OIG is staffed with 348 permanent positions, 346 workyears, five other than full-time positions, \$28,820,000 in direct appropriations,

and \$6,137,000 in reimbursable agreements to provide an additional 58 reimbursable workyears.

The OIG's 1992 personnel ceiling by function is as follows: Immediate Office, 16; Audit, 172; Investigations, 167; Inspections, 48; Management and Planning, 33; total personnel strength, 436.

The Office of the Inspector General

Overview



The OIG has offices nationwide.

Executive Direction

OIG Initiatives

During the past 6 months, the OIG began several initiatives that warrant special discussion. Many of these are multidisciplinary approaches that combine investigators and either auditors or inspectors to address a single issue or concern.

BOP Halfway House Initiative

The Committee on Government Operations, U.S. House of Representatives, issued a report entitled, "Bureau of Prisons Halfway Houses: Contracting Out Responsibility." The report dealt primarily with BOP's contracting responsibility but also addressed the Inspector General's responsibility to oversee the investigation of misconduct by halfway house employees.

The OIG responded in two ways: it conducted an audit of the BOP halfway house program, and it initiated a special investigative review. The audit of halfway houses (also called Community Corrections Centers) found that improved management could achieve significant cost savings for BOP and recommended that BOP establish a system by which inmates could report complaints about staff misconduct directly to BOP.

In addition, the OIG, in cooperation with BOP, conducted simultaneous and unannounced investigative visits to three halfway houses to determine whether inmates were absent after-hours, were using drugs, and were otherwise effectively controlled by the halfway house staff.

Both the audit and investigations initiatives are described in more detail later in this report.

Procurement Fraud

The Department of Justice *spends* over a billion dollars annually in contracts. Both the Audit and Inspections Divisions designed workplans for FY 92 that emphasized the contract activities of the Department and its components far more than had been done before. To prepare for this work, the OIG conducted procurement fraud training programs for virtually all its auditors and many of its investigators and inspectors. The courses, begun last year and completed early this spring, used experts from throughout the Department and from other Federal agencies.

This will be a continuing initiative, but it has already produced some possible fraud cases. In addition, the OIG is presenting fraud vulnerability briefings to DOJ contracting personnel, starting with the Bureau of Prisons staff who oversee its multi-million dollar prison expansion and construction program.

OIG Quality Assurance

Maintaining a high quality workforce and operation is a continuing concern of the OIG. Initiatives relative to this goal include:

- Pursuant to statutory and Government Auditing Standards, the Audit Division was assessed under guidelines established by the President's Council on Integrity and Efficiency. The review found the Audit Division to be in material compliance with the 10 Government Auditing Standards tested.

■ The Internal Control Unit, established by the IG last year, has completed examinations of the operations of three OIG field offices to assess their management and direction, operational efficiency, and compliance with regulations and directives.

■ As part of an OIG continuing education program to maintain a professional cadre of investigators, training in advanced investigative techniques was provided to senior OIG special agents; agents were also trained to serve as Computer Investigative Specialists and as Firearms Instructors; and additional courses were offered in financial investigative techniques, and interrogation methods, among others.

Financial Statement Audits

In accordance with the requirements of the Chief Financial Officers (CFOs) Act of 1990 and the Department's implementation plan, the Audit Division has responsibility for ensuring the conduct of financial statement audits of FY 1991 activities for six Department components. The audits will be performed by independent public accounting firms, with oversight and monitoring of the audits performed by the Audit Division. Audits have started of the Federal Prisons Industries, Inc., the Justice Management Division Working Capital Fund, and the Immigration and Naturalization Service's User Fee Accounts. Audits of the Bureau of Prisons Commissary Trust Fund, Assets Forfeiture Fund, and Seized Asset Deposit Fund will commence shortly. In addition, the Audit Division is currently participating in the "Audit Reporting" and "Use of Inspector General

Staff Versus Independent Public Accountants" projects of the PCIE Task Force on Improved Financial Management and Implementation of the CFOs Act.

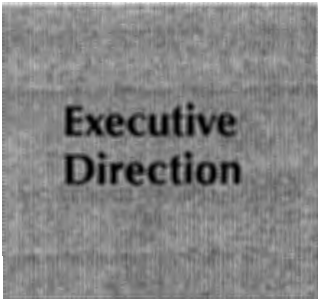
Component Internal Evaluation Unit Reviews

Various components with the Department operate units that are intended to provide senior management with evaluations of the quality of their programs and operations. These units were targeted for OIG inspection because they augment the work done by the OIG to a certain extent and because they sometimes have an influential role in component managers' decision-making. The OIG completed reviews of three such units—in the FBI, BOP, and the Executive Office for United States Attorneys—and has begun work in a fourth, in the Drug Enforcement Administration.

The inspections showed that internal evaluation units in the FBI and BOP provided management an independent and thorough assessment of bureau operations. EOUSA's Evaluation and Review staff is effective in identifying and documenting weaknesses. Nevertheless, EOUSA needed to improve dissemination of information in evaluation reports. EOUSA also needed to set up a resolution and follow-up process to ensure report addressees make required corrections.

Integrity Awareness Sessions

Educating DOJ employees in ethics, consequences of misconduct, and the preservation of the public trust is an ongoing OIG initiative. OIG special agents

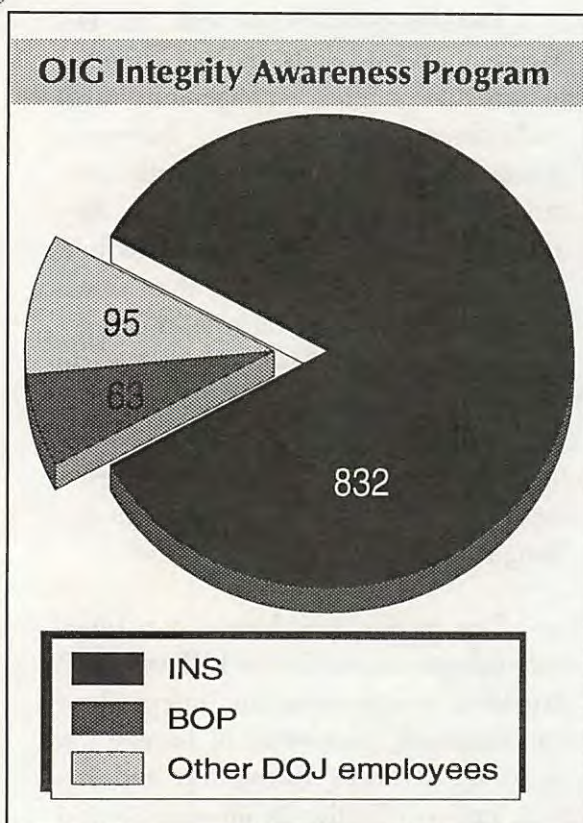


Executive
Direction

Initiatives (continued)

Executive Direction

throughout the country gave 36 Integrity Awareness briefings to Department employees, as depicted below.



The number of DOJ employees who received Integrity Awareness Briefings represents a 67 percent increase over the last reporting period.

President's Council on Integrity and Efficiency Activities

The Inspector General *participates* in the President's Council on Integrity and Efficiency (PCIE). During the past 6 months, the OIG has continued its representation on the Computer Auditing/Investigation Roundtable, the Task Force on Improved Financial Management and Implementation of the Chief Financial Officers Act, and Inspection Roundtable quarterly meetings. In addition, the OIG has responded to 21 audit-related initiatives from the PCIE.

Review of Legislation and Regulations

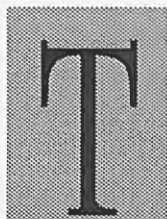
The Inspector General Act requires that the Inspector General review proposed legislation relating to the programs and operations of the Department of Justice. Although the Department's Office of Legislative Affairs and Office of Policy Development review all proposed or enacted legislation that could affect the Department's activities, the OIG independently reviews proposed legislation regarding fraud, waste, and abuse in the Department's programs or operations, or other matters affecting the operations of the OIG. Over the past 6 months, the OIG reviewed S. 392, H.R. 1833 and H.R. 17, proposed amendments to the Whistleblower Protection Act and submitted comments on proposed amendments to the qui tam provisions of the False Claims Act.

High-Risk Areas

The Department and OMB identified specific DOJ activities that have a “high risk” for fraud, waste, and abuse. The Department has nine areas on the High Risk Area list published by OMB. Audits and inspections in these areas provide Department managers with assistance to correct specific high risk activities, thus ensuring improved operations within the Department. During this reporting period, the OIG issued several final inspection and audit reports that involved various aspects of the Department's high risk programs.

High Risk Area	Audits	Inspections
Overcrowding in the Federal Prison System	■	
Asset Seizure and Forfeiture	■	■
United States Marshals Service	■	
Monitoring Private Trustees	■	
Legal Process Debt Collection	■	

Investigations Division



he Investigations Division investigates alleged violations of bribery, fraud, abuse, and integrity laws that govern the Department of Justice and the operations it finances. The Division also develops cases for criminal prosecution and possible civil or administrative action.

Duties of the Investigations Division

Under the Inspector General Act Amendments of 1988, the Department's Office of Professional Responsibility (OPR) retained authority over certain investigations. The Act directed that allegations relating to Department employees in attorney, criminal investigative and law enforcement positions be referred to OPR. The OIG and OPR have operated under a Memorandum of Understanding to ensure close coordination on these investigations. The agreement provides that all OIG resources, investigators, and auditors can be used for OPR investigations. The OIG has direct investigative responsibility over: allegations of misconduct against employees in other job categories, and cases of fraud against the Department and its programs.

Some cases, noncriminal in nature and involving administrative matters, are referred to bureaus within the Department. The OIG requires notification of the bureaus' findings and of any disciplinary action taken.

Special Enforcement Initiative Bureau of Prisons Halfway Houses

BOP contracts with various agencies in cities nationwide to house prisoners in structured, residential facilities.

These prisoners are sentenced Federal offenders approaching the end of their sentences and probationers who live in halfway houses in lieu of a prison sentence. The employees of contract facilities have custodial powers over sentenced offenders but do not undergo the background checks required of correctional officers and other BOP employees.

On January 14, 1992, 35 OIG special agents and 22 BOP staff members conducted special operations at three halfway houses under contract to BOP in Miami, Dallas, and Las Vegas. The OIG and BOP accounted for all residents, made thorough searches of all facilities, took urinalysis tests of 50 percent or more of the prisoners, searched motor vehicles belonging to prisoners, and interviewed a sampling of prisoners for information about each facility's operation. The searches yielded the following contraband items: four syringes with needles, cigarette rolling papers, eight digital pagers, one cellular telephone, one stun gun, and two folding knives.

The operation also yielded \$1,090 in cash from one resident's car, gambling paraphernalia, and a quantity of steroids. The prisoner found with a stun gun was immediately returned to a lock-up. Of the 93 prisoners who were administered urine tests to detect illegal drug use, two tested positive and were returned to prison. The unannounced operation gave the OIG detailed information about halfway house operations that will be useful in future criminal investigations. The operation also gave BOP the opportunity to evaluate the quality of its internal monitoring of the contract facilities.



■ Agents from Operation Alliance, a Federal multi-agency interdiction effort along the U.S. Mexican border, seized two vans at a U.S. Port of Entry. The vans contained approximately two tons of cocaine and 104 kilograms of marijuana. U.S. Treasury Enforcement Communications Records indicated a certain INS Immigration Inspector might be the link at the inspection lane.

A few days later, Mexican Federal Judicial Police (MFJP) arrested the drug trafficking organization's leader in Tijuana, Mexico, and seized approximately 30 kilos of cocaine. The drug trafficker, whose telephone records reflected numerous calls to the Immigration Inspector's residence, stated that during a 6-month period, the organization had smuggled six to 10 loads of narcotics into the United States through the Inspector's lane at the Port of Entry and had paid the Inspector \$7,000 to \$10,000 per load. (The MFJP later released the drug trafficker on a technicality.)

OIG and FBI agents executed a search warrant at the Inspector's residence and seized INS documents and applications, and certain financial records. The Inspector admitted taking bribes in return for allowing 12-15 loads of narcotics into the United States. The Inspector agreed to cooperate with the Government and arranged another smuggling venture with the trafficker. On October 21, 1991, the drug trafficker arrived with a load of narcotics at the Port of Entry, where the Inspector allowed the vehicles through; a few days later, special agents arrested the drug trafficker. DEA also executed search warrants at two San Diego residences and seized more than 300 lbs. of marijuana,

\$20,000 in cash, narcotics distribution paraphernalia, and records. Two additional suspects were also arrested.

The drug trafficker was indicted on charges of Importing a Controlled Substance and is in custody. Charges are pending. The Immigration Inspector waived indictment and pleaded guilty to charges of bribery and importation of a controlled substance. The Inspector is in custody and is awaiting sentencing.

■ Two aliens, one Pakistani and the other Mexican, paid approximately \$200,000 in bribe monies to an undercover OIG agent for INS Employment Authorization Cards. The aliens paid the bribe money to the undercover agent for processing 107 amnesty applications. The two were arrested and charged with bribery of a public official. The Pakistani was denied bail and remains incarcerated. The Mexican was released on \$15,000 bail. Both are scheduled for arraignment in April 1992.

■ Three Middle Easterners offered an INS employee money in exchange for INS documents for ineligible aliens from Middle Eastern countries. During an undercover operation, OIG agents received approximately \$125,000 in bribe monies. The three individuals were arrested and charged with bribery. Two of them jumped bail and are currently fugitives. The third pleaded guilty to bribery of a public official and conspiracy. Sentencing is scheduled for April 1992.

■ The OIG and the FBI arrested five East Indian Sikhs who conspired to bribe an INS official to obtain travel

Significant
Investigations

Bribery (Continued)

Significant Investigations

documents. One defendant was arrested and deported; the others were indicted for bribery and other charges. One defendant was released on bond; the others remain incarcerated pending trial.

■ A BOP Correctional Officer accepted bribes for smuggling contraband into a Federal prison. The employee pleaded guilty to providing inmates with "jewelers' string," a flexible abrasive rod used by jewelers to cut through metal and diamonds, which the inmates could use in an escape attempt by cutting prison bars and windows. The Correctional Officer also admitted to providing inmates with liquor and other contraband. Sentencing is scheduled for June 1992.

■ An INS Legalization Officer conspired with two East Indians in a scheme to sell INS Employment Authorization Cards to amnesty applicants who wanted to remain in the United States illegally. A joint investigation by the OIG, FBI, and INS identified 92 East Indian Sikhs, each of whom paid \$2,500 or more for illegally-issued Employment Authorization Cards. The INS employee and the two East Indian intermediaries were arrested and charged with fraud and misuse of Visa, permits and other documents. The two East Indians were also charged with tampering with a Government witness. All were released on bond and are awaiting trial. Five additional Sikhs were arrested and are being held as material witnesses.

■ An INS Contact Representative conspired to provide INS benefits to illegal aliens. The employee was convicted of Bribery and received a sentence of 22

months incarceration.

Furnishing Information to Unauthorized Individuals, Distribution of Controlled Substance

■ An INS Legal Technician was using law enforcement ADP systems to run license plate numbers and criminal history checks on persons buying drugs from her. The technician's boyfriend was in jail on a parole violation, but continued to direct his drug trafficking enterprise through her. OIG and DEA agents executed a search warrant at her residence and found \$30,000 in marijuana. The Technician was arrested, removed from her position at INS, and is currently awaiting trial.

Theft

■ A Supply Clerk in a U.S. Attorney's Office sold more than \$200,000 worth of U.S. Government film over a 2-year period. In December 1991, OIG agents arrested the Clerk for theft of Government property; the Clerk then agreed to cooperate with the Government. On January 30, 1992, an OIG undercover special agent was introduced to the Clerk's co-conspirator, or "fence." The undercover agent exchanged \$30,000 worth of U.S. Government film for \$4,500 from the suspect, who was then arrested by OIG special agents. The Clerk pleaded guilty and was sentenced on March 12, 1992, to five years probation, to pay \$10,000 in restitution, and to serve 100 hours of community service; he was removed from his position with

the U.S. Attorney's Office. The co-conspirator also pleaded guilty on February 28, 1992, to theft of Government property. Sentencing is pending.

■ A BOP Legal Technician was indicted on two counts of felony theft for stealing funds from inmate accounts. The employee, who admitted to the offense, as well as to an additional theft, resigned his position and is awaiting criminal disposition.

■ An INS Supply Clerk was arrested for stealing three blank money orders totalling \$2,000 belonging to a detained alien. The employee was arrested and is awaiting further judicial action.

■ Five INS Detention Officers and one former INS Detention Officer, who identified themselves as the "Nasty Boys," stole money and/or drugs from known or suspected drug dealers. The group staged "raids" on the homes of the suspected drug dealers by posing as police officers. The six were found guilty of burglary and robbery. One was also convicted of possession of weapons. Sentences ranged from 2-6 years for the burglary counts and to 3-9 years for the robbery counts. Sentencing on the possession of weapons is pending.

Sexual Abuse

■ A former BOP Correctional Officer was found guilty of four counts of Sexual Abuse of a female inmate. Sentencing is scheduled for May 1992.

Embezzlement

■ An INS File Clerk responsible for processing bond monies posted on behalf of detained aliens was indicted on 25 separate incidents of embezzlement. Approximately \$50,000 was stolen. The employee stole cash monies intended for deposit with the Federal Reserve Bank and falsified Government documents to conceal the activity. The Clerk was placed on indefinite suspension and is awaiting trial.

■ An INS Clerk was suspected of making fraudulent overtime claims on Time & Attendance reports. An OIG investigation revealed that the Clerk had embezzled approximately \$13,000 through fraudulent overtime claims. The Clerk is awaiting trial and is free on a \$5,000 bond.

■ An INS Mail Clerk responsible for delivering airport application fees to the local INS District Office embezzled \$1,600 in Government funds. Sentencing is scheduled for June 1992.

Theft and Destruction of Government Property

■ An INS Supervisory Data Input Clerk stole approximately \$5,000 in INS alien application fees from the Temporary Protective Status Program. The Clerk tried to conceal the thefts by destroying approximately 100 INS alien files and damaging the INS computer containing the alien applicants' records. The employee pleaded guilty to willful damage to Government property.

Significant Investigations

Fraud and Production of False Documents

Significant Investigations

■ A Regional Manager for the Seized Assets Division in the U.S. Marshals Service submitted a travel voucher with irregular claims for 20 days of travel. The Manager admitted to tampering with information on receipts, forging his supervisor's signature on the voucher, and to making ATM withdrawals far in excess of the DOJ limit of \$50 per day. The Manager used the money to cover extra expenses of traveling with two family members. Administrative action is pending.

■ An INS Legalization Officer was a principal in the production and transfer of fraudulent Immigration documents. Analysis of a seized card revealed it had been produced at the local Legalization Office.

A review of the Legalization Officer's background investigation for

Government employment disclosed possible false statements and perjury on application forms. Further investigation disclosed that the Officer had prior criminal convictions involving battery and credit card fraud, as well as numerous bad debts. There were also outstanding arrest warrants in Florida and California concerning these convictions. The Legalization Officer produced fraudulent Legalization forms and false letters of employment in support of Amnesty applicants.

The Legalization Officer was charged with production of false documents, production and transfer of false documents, and conspiracy. The employee, who was terminated from employment with INS, entered a guilty plea on February 7, 1992, to possession of false identification documents. Sentencing is scheduled for May 1992.

Note: OPR statistics in this and the following three tables represent OIG investigations done in support of OPR.

Investigative Statistics

Investigative Workload

Investigative Caseload	OIG	OPR
Investigations carried forward as of 9/30/91	356	166
--- Investigations reclassified/affecting count	10	(5)
--- Investigations opened this period	116	49
--- Investigations closed this period	221	97
TOTAL investigations in progress as of 3/31/92	261	113

Investigative Statistics

Prosecutive Actions	OIG	OPR
--- Investigations referred for prosecution this period	67	32
--- Investigations accepted	30	8
--- Prosecutions declined	24	13
--- Pending acceptance for prosecution	13	11
Criminal indictments/informations	36	5
Convictions/Pleas	18	3
Civil Filings	0	0

Prosecutive Actions

Monetary Results	OIG	OPR
Fines/Restitution/Recoveries	\$77,894	\$500
Seizures	\$235,850	0

Monetary Results

OIG Monitored Referrals	Within DOJ	Supporting OPR
Cases carried forward as of 9/30/91	465	624
--- Cases reclassified/affecting count	6	1
--- Cases opened this period	275	298
--- Cases closed this period	212	276
TOTAL cases in progress as of 3/31/92	534	647

OIG Monitored Referrals

Investigative Statistics

The OIG Hotline Brochure

Call the OIG Hotline
1-800-869-4499

OIG Hotline operation
are available Monday
thru Friday from 8:30
A.M. to 5 P.M.

After hours and on weeks
you may leave your name
number on the answering
machine and an operator
contact you

Or write:
OIG Hotline
P.O. Box 27606
Washington, D.C.
20038-7606

U.S. Department of Justice
Office of the Inspector General

Now
there's a
way you can
help fight
fraud, waste, or
abuse. The
choice is
yours.

HOTLINE

Hotline and Complaint Statistics

Source of Allegations Received

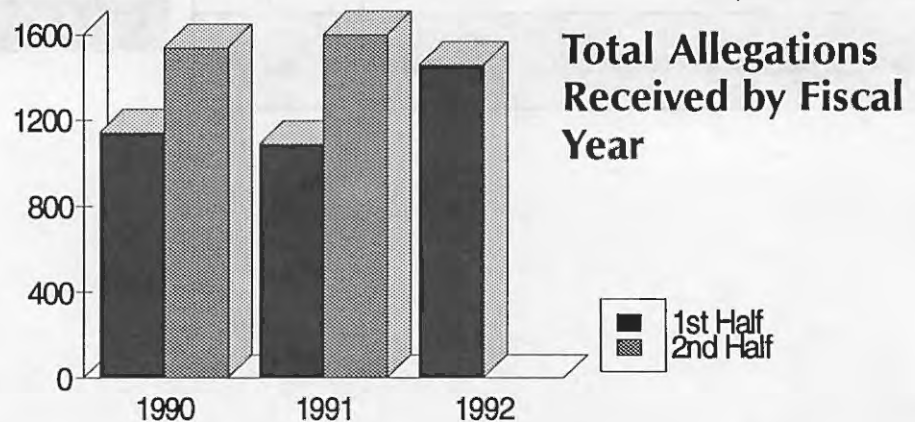
--- Hotline (Telephone and Mail)	402
--- Other Method	1056

TOTAL Allegations Received	1458
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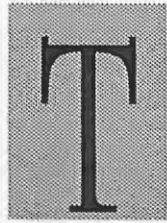
Disposition of Total Allegations Received

--- Preliminary investigations in progress 3/31/92	37
--- Investigations initiated this period	165
--- Monitored referrals within DOJ	573
--- Mgmt. referrals within DOJ and outside DOJ	329
--- Those requiring no action	354

TOTAL	1458
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Audit Division



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

The Audit Division ensures balanced audit coverage of the Department through the development and execution of an approved workplan which complies with the requirements of the Office of Management and Budget (OMB) Circular A-73, Revised, "Audit of Federal Operations and Programs." Audits are selected based on an audit universe which is structured to identify the functions and programs within the Department. The audit universe is used to track the degree of audit coverage in each area, considering prior audit coverage and current management and audit priorities. Adherence to the requirements of OMB Circular A-73 and the audit workplan ensures the maximum utilization of resources while providing broad audit coverage of the Department.

Audits are performed in three general categories: Internal, Trustee, and External. Internal audits address the programs and activities of the Department. Trustee audits, performed under a reimbursable agreement with the Executive Office for U.S. Trustees, examine the internal controls and cash management

practices of panel and standing trustees nationwide. External audit work includes the review, coordination, and, in certain circumstances, the performance of audits of State and local governments and non-profit organizations for which the Department has cognizance under the provisions of the Single Audit Act of 1984 and OMB Circulars A-128 and A-133.

In addition, the Audit Division has devoted an increasing amount of its resources to the support of complex fraud cases that the Investigations Division is conducting.

As mandated by the Inspector General Act Amendments of 1988 and the Government Auditing Standards, we conducted an external peer review of the quality assurance functions of the Agency for International Development (AID) in consonance with a negotiated Memorandum of Understanding. Based on our review of the operation of AID in Washington, D.C., Singapore, and Nairobi, Kenya, we concluded that the audit operations of AID materially complied with generally accepted Government auditing standards.

Executive Use of DOJ Aircraft

DOJ operates 263 aircraft used primarily to assist in investigations and to transport Federal prisoners and illegal aliens.

An audit of the propriety of executive use of DOJ aircraft found no instances where Government aircraft were used for unofficial purposes. However,

Duties of the Audit Division



External Peer Review

Significant Audits

Significant Audits

DOJ Aircraft (Continued)

20 percent of the sampled executive flights for the four components with aircraft, although used for official purposes, were not adequately justified to support the use of DOJ aircraft instead of commercial aircraft. Additionally, Department policies regarding spousal travel on DOJ aircraft and reimbursement for the travel are unclear. Some spouses of DOJ executives paid for their travel while others did not. The audit noted that the Immigration and Naturalization Service (INS) Border Patrol did not maintain adequate aircraft flight records that would enable management to provide proper oversight of its aircraft.

We recommended that the Department issue a policy that explains what constitutes justified flights on DOJ aircraft and that delineates the circumstances when a spouse may accompany a Department employee on a DOJ controlled aircraft. Additionally, we recommended that the INS Border Patrol implement procedures requiring specific flight information to be collected to provide the data necessary to appropriately oversee aircraft usage.

Oversight of Undercover Operations Funds by DEA and FBI

Undercover operations are necessary to obtain needed evidence against suspected criminals or to expand ongoing investigations. The internal controls of these funds should ensure they do not fall victim to waste, fraud, or abuse.

An audit of oversight of funds used for undercover operations by the Drug Enforcement Administration (DEA) and the Federal Bureau of Investigation (FBI)

found no significant problems with the FBI's internal controls and oversight procedures for undercover operations. Our review confirmed that FBI reports followed required internal procedures.

However, the audit disclosed that the DEA's internal controls and oversight procedures did not: (1) properly safeguard assets, (2) provide for accurate financial accounting and reporting, or (3) ensure compliance with agency regulations. The audit report contained recommendations to ensure that property and assets from undercover operations are promptly inventoried, deposited, and/or liquidated.

Overtime in INS Inspections Program

A statute enacted in 1931 provides for enhanced overtime rates for INS Inspectors who perform inspections on Sundays and holidays and, on other days, for overtime they work between 5:00 p.m. and 8:00 a.m. For example, an employee may receive up to 4½ days' pay on Sunday and holidays and 2½ days' pay on other days. A "rollback" provision credits employees with up to two additional workhours for commuting to work and preparing for duty.

An audit of overtime in the INS Inspections Program revealed that INS had strengthened controls over the use of overtime but continued to incur expenses of approximately \$28 million for its airport and seaport inspection activities during FY 1990 and the first quarter of FY 1991. At the three airports we reviewed, we found that INS could save approximately \$570,000 if they staffed addi-

tional work shifts as an alternative to overtime. Additionally, paying overtime under the Act of 1945 as opposed to the more generous Act of 1931 would save approximately \$2.3 million at the airports reviewed. We recommended that the INS request the Department to seek repeal of the Act of 1931 due to the excessive overtime costs they incur and the high costs they expend in monitoring the proper use of the Act.

Private Counsel Debt Collection

The DOJ's pilot program on private counsel debt collection uses private attorneys to collect debts owed to the Government. As compensation, the private attorneys receive part of the funds they collect.

An audit of this program disclosed that the DOJ did not determine pilot program cost-effectiveness as requested by Congress, making it difficult for the DOJ and Congress to decide whether to continue or expand the program. Although several private counsel offices were much more efficient than others, Debt Collection Management distributed cases without regard to performance, resulting in reduced potential collections. Internal controls were inadequate to ensure security and the timely deposit of receivables at both the United States Attorneys' Offices (USAOs) and the private counsel offices. Additionally, six of the eight USAOs and 20 of the 27 lawyer's offices sampled did not fully comply with case processing requirements. The reasons for noncompliance were: (1) problems with the COLLECTOR debt collection software, (2) hardware problems, and (3) insufficient

training and guidance. As of May 22, 1991, 27 percent of all debt payments went to the USAOs or private counsel's offices instead of the Central Intake Facility set up for this purpose. This creates a delay in depositing payments in the U.S. Treasury with a potential loss or theft, and a loss to the Government of interest income.

USMS Cooperative Agreement Program

In response to difficulties in obtaining overnight jail space for Federal prisoners, the United States Marshals Service (USMS) established its Cooperative Agreement Program (CAP) in 1982. CAP provides funding to local jails for the construction, expansion, or renovation of jail space. As of June 17, 1991, local jails have been awarded \$120,868,433 in CAP monies.

An audit of the program disclosed instances where the USMS: (1) awarded CAP funds without sufficient justification for the awards, (2) did not have a satisfactory system for forecasting detention space requirements, and (3) did not obtain space guarantees of sufficient duration from local jails with CAP funds. Additionally, the USMS did not always recoup funds from agencies that did not provide space to the USMS, as promised. The USMS initiated action to recoup \$1 million from an awardee after this audit questioned the transaction.

Significant Audits

**Significant
Audits****USMS Private Sector Jail, Leavenworth,
Kansas**

In June 1990, the USMS entered into a contract for the housing of Federal prisoners at a privately-run jail to be constructed in Leavenworth, Kansas. Under the first year of the contract, the USMS guaranteed payment for 22 prisoners per day, whether the space was used or not. In each of the four option years of the contract, the USMS agreed to provide payment for 198 prisoners per day. In addition, the USMS has the option to enter into a long-term lease of the private jail.

We found that the USMS did not perform a formal study to determine the most economical method for housing prisoners. Additionally, the USMS did not quantify the need for additional space; thus, the jail may be larger than the USMS needed for its prisoner population. In addition, the per diem rate for prisoner care was excessive as compared to the rates charged by county jails in the area, and in effect would amortize the contractor's loan over 5 years. At the end of the 5 years, the contractor would own the facility and would not have any obligation to provide services to the USMS.

The audit recommended that the USMS: (1) perform an analysis of the cost effectiveness of using the private sector jail; (2) decline to renew the contract after the first year, with a potential savings of \$31 million, unless the USMS can consistently fill 198 beds on a daily basis; and (3) renegotiate the per diem rates based on a more realistic period for recovery of capital costs.

BOP Community Corrections Center Program

The Bureau of Prisons (BOP) Community Corrections Center Program (CCC) provides three primary types of services to offenders: (1) release planning assistance to inmates returning to the community after serving a portion of their confinement sentence in a prison; (2) a punitive sanction for those with short sentences who may be committed directly to CCCs to serve their terms; and (3) a structured environment and support service for those on probation or parole supervision who are referred by the United States Probation Service or the United States Parole Commission.

An audit of the CCC revealed that the BOP did not develop a system to measure the effectiveness of CCC operations. Additionally, approximately 20 percent of available CCC beds go unused. This is equivalent to a 1,000 bed facility each day. Allowing CCC beds to go unused could result in unnecessary costs to the Government, as the cost of housing prisoners in a CCC is lower than the cost of housing prisoners in a BOP facility. Additionally, of the 30 percent of inmates eligible for the home confinement program, only 2 percent were enrolled. Because the home confinement program costs less than a CCC, the BOP could realize significant cost savings by using this option more effectively. We recommended that a formal complaint procedure directly to the BOP be established so that CCC staff misconduct can be detected in its earliest stages.

Trustee Audits

The Audit Division contributes significantly to the integrity of the bankruptcy system by performing financial audits of trustees under a reimbursable agreement with the Executive Office for United States Trustees (EOUST). During the reporting period, 123 trustee reports were issued.

Financial and compliance audits are performed of Chapter 12 family farmer trustees and Chapter 13 standing trustees to evaluate the adequacy of the trustees' accounting systems and related internal controls, compliance with major statutes that could have a material effect upon the financial information provided to the U.S. Trustees and the Courts, and the fairness of the trustees' financial representations. In addition, reviews are performed of Chapter 7 panel trustees to provide the U.S. Trustees with an assessment of the quality of the panel trustees' accounting for bankruptcy estate assets, cash management practices, and other administrative procedures.

External Audits

The Single Audit Act of 1984 and OMB Circulars A-128 and A-133 require recipients of Federal funds to arrange for an audit of their activities. During this period, 158 external reports were issued encompassing 730 DOJ contracts, grants and other agreements totaling \$264,439,237. These audits report on financial activities, compliance with applicable laws, and in many cases the adequacy of recipients' internal controls over Federal expenditures. Reports on

organizations over which the Department is cognizant or which have a preponderance of Departmental funds are reviewed to ensure they comply with generally accepted Government auditing standards. In certain limited circumstances, the OIG performs audits of State and local governments, nonprofit organizations, and Departmental contracts.

Management Memoranda

During this period, the Audit Division issued three Management Memoranda. One was forwarded to the Counsel, Office of Professional Responsibility, regarding the DOJ policy on reporting allegations of employee misconduct and providing warnings and assurances. The other two were sent to the Assistant Attorney General for Administration regarding: (1) a DOJ assets forfeiture support services contract awarded to EBON Research Systems, and (2) the use of personal computers for time and attendance remote entry system.

Audit Follow-Up Activities

OMB Circular A-50, "Audit Followup," requires audit reports to be resolved within 6 months of the audit report issuance date. The status of open audit reports are continuously monitored to track the audit resolution and closure process. As of March 31, 1992, the OIG closed 310 audit reports and was monitoring the resolution process of 106 open audit reports. There were no unresolved audit reports over 6 months old.

Notices of Irregularity

The Audit Division issued six Notifications of Irregularity and two Investigative Assistance Memoranda during this period.

AUDIT STATISTICS

Audits With Funds Recommended to be Put to Better Use

October 1, 1991 -
March 31, 1992

Audit Reports	Number of Audit Reports	Funds Recommended to be Put to Better Use
No management decision was made by beginning of period	0	0
Issued during period	2	\$31,567,814
Needing management decision during period	2	\$31,567,814
Management decisions made during period: Amounts management agreed to put to better use	2	\$31,567,814
No management decision at end of period.	0	0

AUDIT STATISTICS (Continued)

Audit Reports	Number of Audit Reports	Total Questioned Costs (including unsupported costs)	Unsupported Costs
No management decision was made by beginning of period	18	\$170,480	\$89,724
Issued during period	15	\$1,723,219	\$19,702
Needing management decision during period	33	\$1,893,699	\$109,426
Management decisions made during period:			
• Amounts management agreed to recover (disallowed)	26	\$1,390,096	\$107,723
• Amounts not sustained (not allowed)	0	0	0
No management decision at end of period.	7	\$503,603	\$1,703

Audits With Questioned Costs

**October 1, 1991 -
March 31, 1992**

Audit Reports	Number of Audit Reports	Total Number of Mgmt. Improvements Recommended
No management decision was made by beginning of period	50	171
Issued during period	59	251
Needing management decision during period	109	422
Management decisions made during period:		
• Number management agreed to implement	86*	303
• Number not agreed to implement	0	0
No management decision at end of period.	30	119

Audits Involving Recommendations for Management Improvements

**October 1, 1991 -
March 31, 1992**

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

Inspections Division



The Inspections Division provides the Office of the Inspector General with another method of dealing with issues associated with fraud, waste, and mismanagement. The inspections process allows for timely feedback to senior managers and early warning to the Administration and the Congress about Department of Justice problems.

Inspections adhere to the standards issued by the President's Council on Integrity and Efficiency and to internal policy and guidelines issued by the Office of the Inspector General. An annual workplan, which sets forth the activities of the Division, ensures oversight of DOJ programs and offices; additionally, it allows the Inspector General the flexibility to direct multi-disciplinary resources to specific problems or troubled areas quickly.

Duties of the Inspections Division

Update from Previous Report

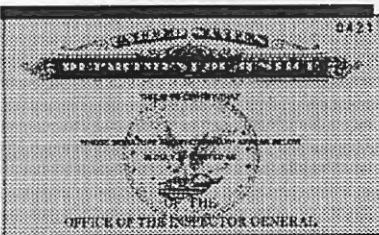
In a previous report, we discussed an inspection of the Immigration and Naturalization Service's (INS) Newark District Office. The report disclosed that INS had lost large sums of revenue by not billing owners and operators of cargo vessels for 1931 Act overtime costs incurred by INS employees for inspecting these vessels. As a result of our recommendations, the INS resumed billing of cargo carrying vessels on September 30, 1991. Revenue from billing owners and agents of cargo vessels under the Act is projected to be about \$3 million in FY 1992.

Significant Inspections

Employee Assistance Program

The Justice Management Division (JMD) provides guidance and oversight to DOJ components on Employee Assistance Program activities; in addition, JMD ensures that components successfully carry out the requirements contained in DOJ Order 1792.1A, Employee Assistance Program. We found that the \$2 million Employee Assistance Program (EAP) needed additional oversight, extensive policy revision, and establishment of new procedures. Based on our recommendations, JMD is : (1) establishing a system to periodically assess DOJ component and contract service providers' compliance with EAP regulations; (2) redefining qualifications and training standards for employees who perform EAP duties; (3) ensuring DOJ components uniformly compile and report statistics; (4) improving communications with DOJ components by issuing supplementary written guidance; and (5) establishing a confidentiality and ethics training program for DOJ components.

Our inspection also found common problems among the six DOJ components visited: Six components need to establish an advisory board, as recommended by JMD; five components need to revise EAP directives so they follow the DOJ Order; and, four components need to designate qualified EAP Administrators.



Pay and Allowances

The Inspector General initiated an inspection of the pay and allowances made to Operation Snowcap personnel in response to an inquiry from the Subcommittee on Government Information, Justice, and Agriculture, of the House Committee on Government Operations. (Operation Snowcap is a Latin American Anti-Drug Campaign conducted by DEA.) We found that: (1) Operation Snowcap team leaders were not consistent in enforcing criteria for hazardous duty, post differential, and scheduled overtime pay, as the qualifying criteria are too vague. This resulted in underpayments and overpayments to personnel. (2) The Federal payroll system used to record Operation Snowcap personnel workhours is inappropriate for the around-the-clock and hazardous type of work performed. (3) Decentralized procedures in DEA resulted in poor internal controls over time and attendance reporting. (4) Employees received full per diem allowances for meals and incidental expenses at a base camp even though the government furnished meals.

Asset Forfeiture Program

Adoptive seizures refer to the Federal adoption and forfeiture of property seized by state and local law enforcement agencies. Our review showed the adoptive seizure process is an effective tool in fighting crime. We determined that: (1) adoptive seizures strengthen cooperation among Federal, state, and local law enforcement agencies; (2) the Federal adoptive seizure process, which is faster than the forfeiture process in most states, permits quicker use of shared funds; and (3) the new Department-wide automated

information system scheduled for implementation in FY 1993 will track adoptive seizures separately and will provide adequate caseload and management information for the program as a whole.

BOP Program Review Branch

The Bureau of Prisons (BOP) started a centralized program review process about 3 years ago. We found the Program Review Branch is carrying out its review responsibilities in a professional and independent manner. Reviews are thorough, effective, and well documented. We made no formal recommendations, but made suggestions to BOP on how it could improve and strengthen the internal inspection process. As a result, the BOP stated it will include physicians and peer review activities as part of its program reviews of major medical facilities. The BOP will also explore ways to more systematically link deficiencies and findings in final reports to evidence in supporting working papers.

U.S. Attorneys Offices Evaluation Program

Our inspection showed that the Executive Office for United States Attorneys (EOUSA) is capable of reporting and documenting operational weaknesses that exist in United States Attorneys' offices. However, information generated by the evaluations was not disseminated effectively. We recommended that EOUSA: (1) share all relevant evaluation results with the Deputy Attorney General's office; (2) establish a resolution and follow-up process for tracking implementation of agreed-upon recommendations; and

Significant Inspections

U.S. Attorneys Offices Evaluation Program (Continued)

(3) develop an office operations manual describing the policies and procedures pertaining to evaluation and review program operations.

Management Memoranda

The OIG sends Inspection Advisory Notices to DOJ officials if issues surface during inspections that require prompt attention by the inspected component or if an important issue surfaces that is not the main focus of the inspection. During this 6-month period, the Inspections Division issued two Advisory Notices.

■ The Assistant Attorney General for Administration was asked to clarify written policy on the proper date for completing Advance Procurement Plans; and,

■ We advised the INS to pay post differential to its border patrol agents who work on Operation Snowcap in South America, as required by Department of State regulations.

New Lobbying Restrictions

We completed the legislatively required annual review of the DOJ's efforts to implement restrictions on the use of government funds for lobbying. The inspection revealed: (1) the Department of Justice successfully carried out Public Law 101-121 covering lobbying restrictions; and (2) the Offices of the Procurement Executive and the Comptroller, Office of Justice Programs, who are delegated the responsibility for ensuring the Law is successfully carried out, have issued appropriate guidelines and internal controls.

Inspections Workload

	Number of Inspections
Inspections active at beginning of reporting period	14
Inspections initiated	7
Final Reports issued	6
Inspections active at end of reporting period	15

Inspections Statistics

AUDIT REPORTS October 1, 1991 - March 31, 1992

INTERNAL AUDIT REPORTS

Overtime in the Immigration and Naturalization Service's Inspections Program 1/

Oversight of Undercover Operations Funds by the Drug Enforcement Administration
and Federal Bureau of Investigation

Private Counsel Debt Collection

Seized Asset Deposit Fund

Assets Forfeiture Fund

United States Marshals Service Private Sector Jail at Leavenworth, Kansas 2/

The Community Corrections Centers Program in the Bureau of Prisons

United States Marshals Service Cooperative Agreement Program 3/

Executive Use of Department of Justice Aircraft

1/ Funds Put to Better Use - \$567,814

2/ Funds Put to Better Use - \$31,000,000

3/ Total Questioned Costs - \$1,020,000

Appendix 2

TRUSTEE REPORTS

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

<u>Title/Report Number</u>		<u>Title/Report Number</u>	
Chapter 7 Review of Panel Trustee David W. Cranshaw	MR-40-92-001	Chapter 7 Review of Panel Trustee Phillip D. Levey	MR-50-92-007
Chapter 7 Review of Panel Trustee Charles A. Gower	MR-40-92-002	Chapter 7 Review of Panel Trustee Christopher J. Redmond	MR-50-92-008
Chapter 7 Review of Panel Trustee Daniel J. Bakst	MR-40-92-003	Chapter 7 Review of Panel Trustee Harold Jarnicki	MR-50-92-009
Chapter 7 Review of Panel Trustee James D. Walker, Jr.	MR-40-92-004	Chapter 7 Review of Panel Trustee Leonard M. Groupe	MR-50-92-010
Chapter 7 Review of Panel Trustee Richard J. MacLeod	MR-40-92-005	Chapter 7 Review of Panel Trustee Jere L. Loyd	MR-50-92-011
Chapter 7 Review of Panel Trustee Ira D. Gingold	MR-40-92-006	Chapter 7 Review of Panel Trustee Ruth Slone	MR-50-92-012
Chapter 7 Review of Panel Trustee Barbara Stalzer	MR-40-92-007	Chapter 7 Review of Panel Trustee Eileen K. Field	MR-50-92-013
Chapter 7 Review of Panel Trustee Paul H. Anderson, Jr.	MR-40-92-008	Chapter 7 Review of Panel Trustee Jeffrey A. Tessel	MR-50-92-014
Chapter 7 Review of Panel Trustee Paul T. Carroll, III	MR-40-92-013	Chapter 7 Review of Panel Trustee Thomas J. O'Neal	MR-50-92-015
Chapter 7 Review of Panel Trustee Lucy C. DiBraccio	MR-40-92-014	Chapter 7 Review of Panel Trustee Alan J. Treinish	MR-50-92-016
Chapter 7 Review of Panel Trustee James D. Lyon	MR-40-92-022	Chapter 7 Review of Panel Trustee Richard G. Zellers	MR-50-92-017
Chapter 12 Audit of Standing Trustee James D. Walker, Jr.	GR-40-92-001	Chapter 7 Review of Panel Trustee Richard J. Butler	MR-50-92-018
Chapter 7 Review of Panel Trustee Leroy G. Inskeep	MR-50-92-001	Chapter 7 Review of Panel Trustee Joseph M. Houser	MR-50-92-019
Chapter 7 Review of Panel Trustee Mark A. Greenberger	MR-50-92-002	Chapter 7 Review of Panel Trustee Marc P. Gertz	MR-50-92-020
Chapter 7 Review of Panel Trustee Bruce deMedici	MR-50-92-003	Chapter 7 Review of Panel Trustee Lawrence A. Friedman	MR-50-92-021
Chapter 7 Review of Panel Trustee Myron Terlecky	MR-50-92-004	Chapter 7 Review of Panel Trustee Carl D. Rayforth	MR-50-92-022
Chapter 7 Review of Panel Trustee Henry E. Menninger	MR-50-92-005	Chapter 7 Review of Panel Trustee John J. Hunter	MR-50-92-023
Chapter 7 Review of Panel Trustee Joseph Stein	MR-50-92-006	Chapter 7 Review of Panel Trustee Richard D. Nelson	MR-50-92-024

Chapter 7 Review of Panel Trustee Douglas Ellman	MR-50-92-025	Chapter 7 Review of Panel Trustee William Sheehy	MR-80-92-027
Chapter 7 Review of Panel Trustee James R. Kandel	MR-50-92-026	Chapter 7 Review of Panel Trustee Clifford D. Eley	MR-80-92-028
Chapter 7 Review of Panel Trustee Walter M. Dickinson	MR-50-92-027	Chapter 7 Review of Panel Trustee Marsha G. Kocurek	MR-80-92-030
Chapter 7 Review of Panel Trustee Edwin Breyfogle	MR-50-92-028	Chapter 7 Review of Panel Trustee Harvey D. Caughey	MR-80-92-034
Chapter 7 Review of Panel Trustee Waldemar Wojcik	MR-50-92-029	Chapter 7 Review of Panel Trustee Michael Caplan	MR-80-92-039
Chapter 12 Audit of Standing Trustee Danny R. Nelson	GR-50-92-001	Chapter 7 Review of Panel Trustee J. Kevin Bird	MR-80-92-041
Chapter 12 Audit of Standing Trustee Richard V. Fink	GR-50-92-002	Chapter 7 Review of Panel Trustee Robert Hemphill	MR-80-92-042
Chapter 12 Audit of Standing Trustee John L. Bulenbaugh	GR-50-92-003	Chapter 7 Review of Panel Trustee H. Christopher Clark	MR-80-92-043
Chapter 12 Audit of Standing Trustee Frank M. Pees	GR-50-92-004	Chapter 7 Review of Panel Trustee James Burke	MR-80-92-045
Chapter 12 Audit of Standing Trustee Carl L. Bekofske	GR-50-92-005	Chapter 7 Review of Panel Trustee Bill J. Sholer	MR-80-92-048
Chapter 7 Review of Panel Trustee Harry L. Cure, Jr.	MR-80-92-001	Chapter 7 Review of Panel Trustee Ruben Whitley	MR-80-92-049
Chapter 7 Review of Panel Trustee Christopher Gilmore	MR-80-92-002	Chapter 7 Review of Panel Trustee Kenneth G. M. Mather	MR-80-92-055
Chapter 7 Review of Panel Trustee Molly W. Bartholow	MR-80-92-004	Chapter 12 Review of Panel Trustee Carol Serelson	GR-80-92-003
Chapter 7 Review of Panel Trustee Richard L. Cox	MR-80-92-008	Chapter 7 Review of Panel Trustee Dennis G. Bezanson	MR-20-92-001
Chapter 7 Review of Panel Trustee Kay Clements	MR-80-92-009	Chapter 7 Review of Panel Trustee Arnold L. Blasbalg	MR-20-92-002
Chapter 7 Review of Panel Trustee M. Stephen Peters	MR-80-92-013	Chapter 7 Review of Panel Trustee William H. Howison	MR-20-92-003
Chapter 7 Review of Panel Trustee Claude R. Jones	MR-80-92-015	Chapter 7 Review of Panel Trustee Robert Tyler	MR-20-92-004
Chapter 7 Review of Panel Trustee James C. Luker	MR-80-92-017	Chapter 7 Review of Panel Trustee David B. Tatge	MR-20-92-005
Chapter 7 Review of Panel Trustee Michael Gazette	MR-80-92-019	Chapter 7 Review of Panel Trustee Mark J. Friedman	MR-20-92-006
Chapter 7 Review of Panel Trustee James Dinneen	MR-80-92-021	Chapter 7 Review of Panel Trustee Terry L. Musika	MR-20-92-007
Chapter 7 Review of Panel Trustee Andrew Krafaur	MR-80-92-022	Chapter 7 Review of Panel Trustee Bryan S. Ross	MR-20-92-008
Chapter 7 Review of Panel Trustee Stephen J. Zayler	MR-80-92-026	Chapter 7 Review of Panel Trustee Richard Stahl	MR-20-92-009

Chapter 7 Review of Panel Trustee Joseph I. Schindler	MR-20-92-010	Chapter 7 Review of Panel Trustee Geoffrey Groshong	MR-90-92-009
Chapter 7 Review of Panel Trustee Henry Counts	MR-20-92-011	Chapter 7 Review of Panel Trustee Edmund J. Wood	MR-90-92-010
Chapter 7 Review of Panel Trustee Stephen G. Bresset	MR-21-92-001	Chapter 7 Review of Panel Trustee Kenneth Beyer	MR-90-92-011
Chapter 7 Review of Panel Trustee John W. Sywilok	MR-21-92-002	Chapter 7 Review of Panel Trustee Christopher Meleney	MR-90-92-012
Chapter 7 Review of Panel Trustee Karen E. Bezner	MR-21-92-003	Chapter 7 Review of Panel Trustee Bruce Kriegman	MR-90-92-013
Chapter 7 Review of Panel Trustee Lewis J. Pepperman	MR-21-92-004	Chapter 7 Review of Panel Trustee Nancy L. James	MR-90-92-014
Chapter 7 Review of Panel Trustee John F. Bracaglia, Jr.	MR-21-92-005	Chapter 7 Review of Panel Trustee Peter Arkison	MR-90-92-015
Chapter 7 Review of Panel Trustee Theodore Liscinski, Jr.	MR-21-92-006	Chapter 7 Review of Panel Trustee Robert K. Morrow	MR-90-92-016
Chapter 7 Review of Panel Trustee Bunce D. Atkinson	MR-21-92-007	Chapter 7 Review of Panel Trustee Michael R. McCarty	MR-90-92-017
Chapter 7 Review of Panel Trustee Santo J. Lalomia	MR-21-92-008	Chapter 7 Review of Panel Trustee Jerome Shank	MR-90-92-018
Chapter 7 Review of Panel Trustee Jeffrey A. Lester	MR-21-92-009	Chapter 7 Review of Panel Trustee Kenneth Eiler	MR-90-92-019
Chapter 7 Review of Panel Trustee Steven Kartzman	MR-21-92-010	Chapter 7 Review of Panel Trustee Ronald R. Sticka	MR-90-92-020
Chapter 7 Review of Panel Trustee Andrew I. Radmin	MR-21-92-011	Chapter 7 Review of Panel Trustee Gregory Christensen	MR-90-92-021
Chapter 7 Review of Panel Trustee Jonathan Kohn	MR-21-92-012	Chapter 7 Review of Panel Trustee George Gross	MR-90-92-022
Chapter 7 Review of Panel Trustee S. David Swayne	MR-90-92-001	Chapter 7 Review of Panel Trustee Michael Batlan	MR-90-92-023
Chapter 7 Review of Panel Trustee C. Barry Zimmerman	MR-90-92-002	Chapter 7 Review of Panel Trustee Richard Hayden	MR-90-92-025
Chapter 7 Review of Panel Trustee Ronald Sommers	MR-90-92-003	Chapter 7 Review of Panel Trustee William Barstow, III	MR-90-92-026
Chapter 7 Review of Panel Trustee Jeffrey Meehan	MR-90-92-004	Chapter 7 Review of Panel Trustee Karl Anderson	MR-90-92-030
Chapter 7 Review of Panel Trustee Donald H. Hartvig	MR-90-92-005	Chapter 12 Audit of Standing Trustee Kirk M. Gibbs <u>1/</u>	GR-90-92-001
Chapter 7 Review of Panel Trustee L. D. Fitzgerald	MR-90-92-006	Chapter 12 Audit of Standing Trustee Lawrence Loheit	GR-90-92-002
Chapter 7 Review of Panel Trustee Michael Hitt	MR-90-92-007	Chapter 12 Audit of Standing Trustee J. Ford Elsaesser	GR-90-92-003
Chapter 7 Review of Panel Trustee Brian Budsberg	MR-90-92-008	<u>1/</u> Total Questioned Costs - \$12,046 Unupported Costs - \$12,046	

Appendix 3

EXTERNAL REPORTS

Majority performed under The Single Audit Act or OMB Circular A-133

<u>Title/Report Number</u>		<u>Title/Report Number</u>	
Audit of the Cuban American National Council, Inc.	TJF-40-92-001	Audit of Metropolitan Dade County, Florida	TOP-40-92-001
Audit of the Fisher-Orsagh Associates, Inc.	TJF-40-92-002	Audit of the University of Georgia	TOP-40-92-002
Audit of the Board of Commissioners, Nassau County, Florida	TJP-40-92-001	Audit of Baker County, Florida	TOP-40-92-003
Audit of the Board of Commissioners, Nassau County, Florida	TJP-40-92-002	Audit of the Daviess County, Kentucky Fiscal Court	TOP-40-92-004
Audit of the Board of Commissioners, Nassau County, Florida	TJP-40-92-003	Audit of the Office of the Governor, State of Georgia <u>3/</u>	TOP-40-92-005
Audit of Charlotte County, Florida <u>1/</u>	TJP-40-92-004	Audit of the Office of the Governor, State of Georgia	TOP-40-92-006
Audit of the South Carolina Law Enforcement Division <u>2/</u>	TJP-40-92-005	Audit of the Commonwealth of Kentucky	TOP-40-92-007
Audit of Osceola County, Florida	TJP-40-92-006	Audit of the State of Tennessee <u>4/</u>	TOP-40-92-008
Audit of the South Carolina Law Enforcement Division	TJP-40-92-007	Audit of the Alabama Department of Economic and Community Affairs	TOP-40-92-009
Audit of the Georgia Department of Corrections	TJP-40-92-008	Audit of the State of North Carolina	TOP-40-92-010
Audit of the South Carolina Department of Corrections	TJP-40-92-009	Audit of the Mississippi Humanities Council	TOP-40-92-011
Audit of the South Carolina Department of Corrections	TJP-40-92-010	Audit of Hillsborough County, Florida	TOP-40-92-012
Audit of the Alabama Criminal Justice Information Center Commission	TJP-40-92-011	Audit of the Commonwealth of Kentucky	TOP-40-92-013
Audit of the Mississippi Children's Home Society and Family Service Association	TOF-40-92-001	Audit of the Government of the U.S. Virgin Islands	TOP-40-92-014
Audit of the University of South Carolina	TOF-40-92-002	Audit of the State of Mississippi	TOP-40-92-015
Audit of the Medical University of South Carolina	TOF-40-92-003	Audit of the Office of the District Attorney, Madison County, Alabama	TOP-40-92-016
Audit of the Medical University of South Carolina	TOF-40-92-004	Audit of the Safer Foundation	TJF-50-92-001
		Audit of the Organization of American Historians	TJF-50-92-002
		Audit of the Police Department of Kansas City, Missouri	TJP-50-92-001

1/ Total Questioned Costs - \$145,662

2/ Total Questioned Costs - \$548

3/ Total Questioned Costs - \$5,953
Unsupported Costs - \$5,953

4/ Total Questioned Costs - \$14,337

Audit of the Police Department of Kansas City, Missouri	TJP-50-92-002	Audit of the National Office for Social Responsibility	TJF-20-92-007
Audit of the Indiana Department of Corrections	TJP-50-92-003	Audit of the Institute for Law and Justice, Inc.	TJF-20-92-008
Audit of the Indiana Criminal Justice Institute	TJP-50-92-004	Audit of the National Criminal Justice Association	TJF-20-92-009
Audit of the University of Chicago	TOF-50-92-001	Audit of the Toborg Associates, Inc.	TJF-20-92-010
Audit of Bowling Green State University, Ohio	TOF-50-92-002	Audit of the American Political Science Association	TJF-20-92-011
Audit of the University of Michigan	TOF-50-92-003	Audit of the Institute for Social Analysis	TJF-20-92-012
Audit of the Illinois Migrant Council	TOF-50-92-004	Audit of the Public Administration Service	TJF-20-92-013
Audit of the Comprehensive Mental Health Services, Inc. and Subsidiaries	TOF-50-92-005	Audit of the Paul and Lisa Program, Inc.	TJF-20-92-014
Audit of the State of Ohio	TOP-50-92-001	Audit of the Pretrial Services Resource Center <u>3/</u>	TJF-20-92-015
Audit of the Board of Education, City of Chicago	TOP-50-92-002	Audit of the Concerns of Police Survivors, Inc.	TJF-20-92-016
Audit of the County of Wayne, Michigan	TOP-50-92-003	Audit of the National District Attorneys Association	TJF-20-92-017
Audit of Wichita, Kansas	TOP-50-92-004	Audit of the American Prosecutors Research Institute	TJF-20-92-018
Audit of Ramsey County, Minnesota	TOP-50-92-005	Audit of the National Association of Town Watch	TJF-20-92-019
Audit of the Nebraska State Patrol	TOP-50-92-006	Audit of The SMART Program	TJF-20-92-020
Audit of the City of Dubuque, Iowa	TOP-50-92-007	Audit of Phi Alpha Delta Public Service Center	TJF-20-92-021
Audit of the Michigan State Police	TOP-50-92-008	Audit of the National Association of Criminal Justice Planners	TJF-20-92-022
Audit of the State of Iowa <u>1/</u>	TOP-50-92-009	Audit of the Justice Research and Statistics Association	TJF-20-92-023
Audit of the North Dakota Workers Compensation Bureau <u>2/</u>	TJP-80-92-001	Audit of the Metropolitan Assistance Corporation (Victim Service Agency)	TJF-20-92-024
Audit of the Red Horse Lodge, South Dakota	TOP-80-92-001	Audit of the Paul and Lisa Program, Inc.	TJF-20-92-025
Audit of the National Center for Missing and Exploited Children	TJF-20-92-001	Audit of the Jefferson Institute for Justice Studies	TJF-20-92-026
Audit of the National Crime Prevention Council	TJF-20-92-002	Audit of the American Correctional Association	TJF-20-92-027
Audit of the Aspen Systems Corporation	TJF-20-92-003	Audit of the National Association of Crime Victims Compensation Board	TJF-20-92-028
Audit of the Criminal Justice Associates, Inc.	TJF-20-92-004	Audit of the National Association of Crime Victims Compensation Board	TJF-20-92-029
Audit of the National Trust for the Development of African-American Men, Inc.	TJF-20-92-005	Audit of the National Association of Crime Victims Compensation Board	TJF-20-92-030
Audit of the Association of State Correctional Administrators	TJF-20-92-006		

1/ Total Questioned Costs - \$212,000

2/ Total Questioned Costs - \$11,400

3/ Total Questioned Costs - \$86,628

Audit of the Concerns of Police Survivors, Inc.	TJF-20-92-031	Audit of the URSA Institute	TJF-90-92-003
Audit of the Concerns of Police Survivors, Inc.	TJF-20-92-032	Audit of the URSA Institute	TJF-90-92-004
Audit of the Congress of National Black Churches	TJF-20-92-033	Audit of the Nevada Association of County Commissioners	TJF-90-92-005
Audit of the D.C. Public Safety Cluster <u>1/</u>	TJP-20-92-001	Audit of the National Consortium of TASC Programs, Inc.	TJF-90-92-006
Audit of the Virginia Department of Corrections	TJP-20-92-002	Audit of the EMT Group, Inc.	TJF-90-92-007
Audit of the Information Systems Network Corporation <u>2/</u>	TOC-20-92-001	Audit of the National CASA Association	TJF-90-92-008
Audit of the University of Pittsburgh	TOF-20-92-001	Audit of the Search Group, Inc.	TJF-90-92-009
Audit of the American Statistical Association	TOF-20-92-002	Audit of Pepperdine University	TJF-90-92-010
Audit of the National Association of Attorneys General	TOF-20-92-003	Audit of Pepperdine University	TJF-90-92-011
Audit of the University of Maryland System	TOF-20-92-004	Audit of Pepperdine University	TJF-90-92-012
Audit of Temple University	TOF-20-92-005	Audit of Pepperdine University	TJF-90-92-013
Audit of the City of Baltimore, Maryland	TOP-20-92-001	Audit of the National Council on Crime and Delinquency <u>4/</u>	TJF-90-92-014
Audit of the State of New York	TOP-20-92-002	Audit of the National CASA Association	TJF-90-92-015
Audit of the State of Delaware	TOP-20-92-003	Audit of the Center for Civic Education <u>5/</u>	TJF-90-92-016
Audit of the State of West Virginia	TOP-20-92-004	Audit of the Arizona Department of Corrections	TJP-90-92-001
Audit of the City of New York, New York	TOP-20-92-005	Audit of the Department of the Attorney General, State of Hawaii	TJP-90-92-002
Audit of the Connecticut Office of Policy and Management	TOP-20-92-006	Audit of the Department of Land and Natural Resources, State of Hawaii	TOP-90-92-001
Audit of the City of New York, New York	TOP-20-92-007	Audit of the University of NV System	TOP-90-92-002
Audit of the Commonwealth of Pennsylvania	TOP-20-92-008	Audit of the State of Alaska	TOP-90-92-003
Audit of the State of Maryland	TOP-20-92-009	Audit of Marion County, Oregon	TOP-90-92-004
Audit of the State of Maryland	TOP-20-92-010	Audit of the City of Portland, Oregon	TOP-90-92-005
Audit of the Commonwealth of Massachusetts	TOP-20-92-011	Audit of the City of Baldwin Park, California	TOP-90-92-006
Audit of the College of William and Mary	TOP-20-92-012	Audit of the San Diego Association of Governments	TOP-90-92-007
Audit of NESPIN	TRIG-20-92-001	Audit of Boulder City, Nevada	TOP-90-92-008
Audit of the National Judicial College	TJF-90-92-001	Audit of the City of Tucson, Arizona	TOP-90-92-009
Audit of the National Council of Juvenile and Family Court Judges <u>3/</u>	TJF-90-92-002	Audit of the City of Baldwin Park, California	TOP-90-92-010
		Audit of the State of Nevada	TOP-90-92-011
<u>1/</u> Total Questioned Costs - \$1,703 Unsupported Costs - \$1,703		<u>4/</u> Total Questioned Costs - \$98,000	
<u>2/</u> Total Questioned Costs - \$105,032		<u>5/</u> Total Questioned Costs - \$26	
<u>3/</u> Total Questioned Costs - \$9,670			

Audit of the Territory of Guam	TOP-90-92-012	Audit of the City of Napa, California	TOP-90-92-023
Audit of the City of Kenai, Alaska	TOP-90-92-013	Audit of the Idaho Department of Health and Welfare	TOP-90-92-024
Audit of Multnomah County, Oregon	TOP-90-92-014	Audit of the State of Oregon	TOP-90-92-025
Audit of Maricopa County, Arizona	TOP-90-92-015	Audit of the State of Arizona <u>1/</u>	TOP-90-92-026
Audit of the City of Oakland, California	TOP-90-92-016	Audit of the State of California	TOP-90-92-027
Audit of the State of Oregon	TOP-90-92-017	Audit of the City of Seattle, Washington	TOP-90-92-028
Audit of the County of Butte, California	TOP-90-92-018	Audit of the National Government of Federated States of Micronesia	TOP-90-92-029
Audit of the San Diego Association of Governments	TOP-90-92-019	Audit of the National Council of Juvenile and Family Court Judges	TIC-90-92-001
Audit of the County of San Diego, California	TOP-90-92-020	Audit of the Rocky Mountain Information Network	TRIG-90-92-001
Audit of the State of Washington	TOP-90-92-021		
Audit of Pima County Community College District, Arizona	TOP-90-92-022		

1/ Total Questioned Costs - \$214

Final Inspection Reports Issued October 1, 1991 - March 31, 1992

Compliance with New Lobbying Restrictions in the Department of Justice

Employee Assistance Program in the Department of Justice

Pay and Allowances Made to Personnel Assigned to Operation Snowcap

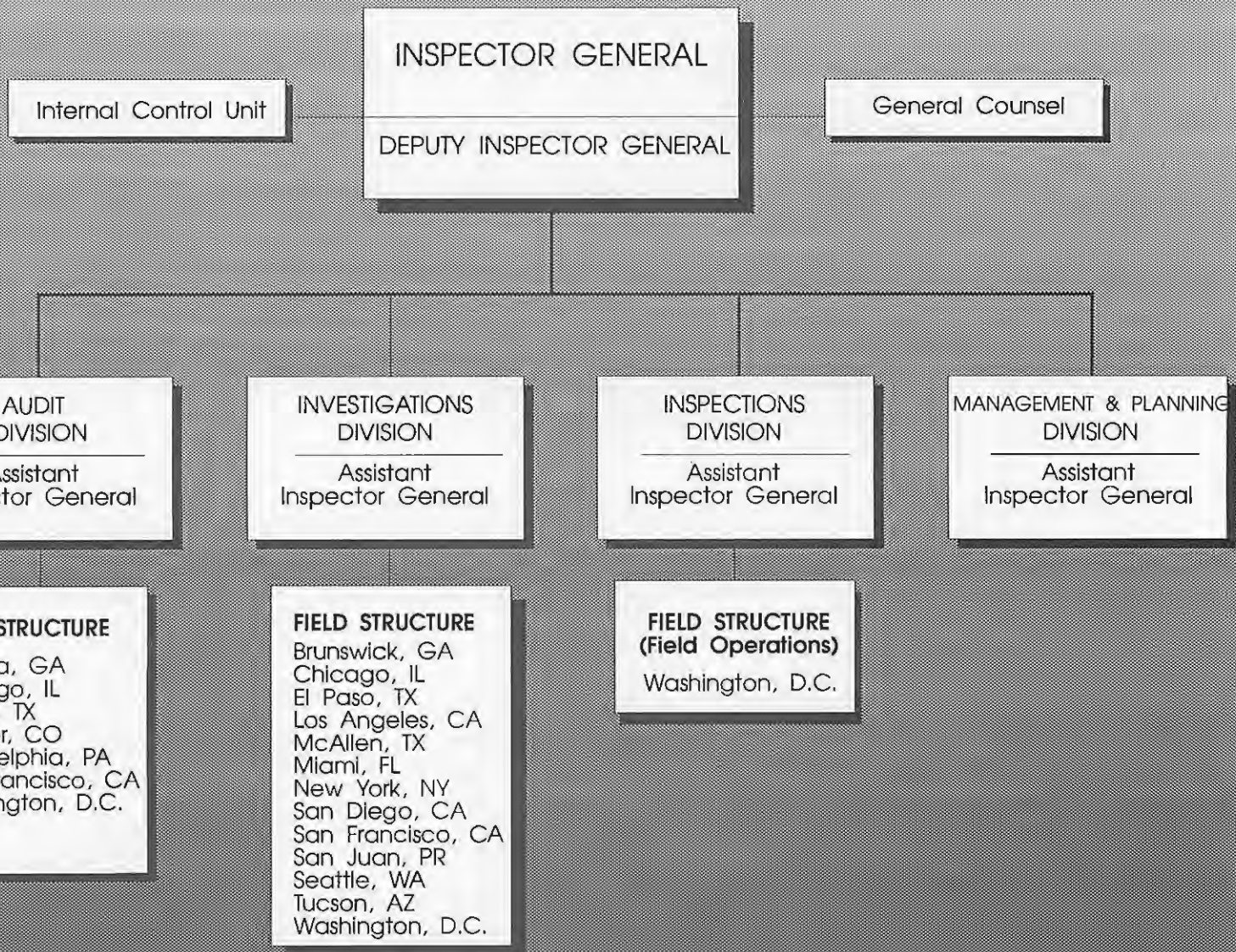
Adoptive Seizures in the Asset Forfeiture Program

Program Review Branch, Program Review Division, in the Bureau of Prisons

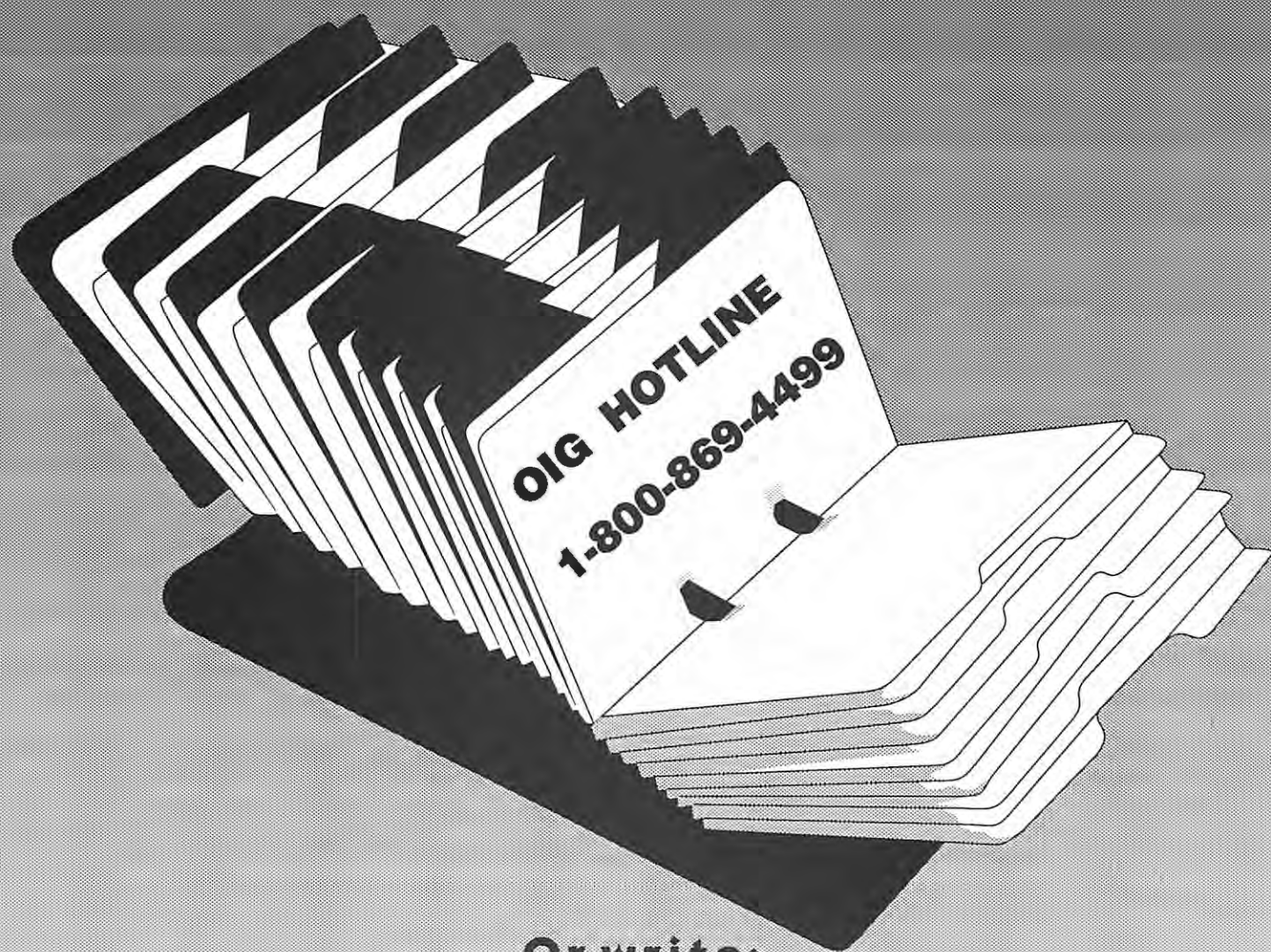
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