

U.S. Department of Justice  
Federal Bureau of Investigation

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# FY 1989 Authorization and Budget Request for the Congress



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2-17/8-0

Department of Justice  
Federal Bureau of Investigation  
Estimates for Fiscal Year 1989  
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QUESTION:

Why is there a need for additional Special Agents for the Foreign Counterintelligence (FCI) Program? Is there no need for agent increases for the other investigative programs?

EXECUTIVE SUMMARY RESPONSE:

The additional Special Agents for the FCI Program are needed to counter the threat posed by hostile intelligence services within the United States. The increases requested for FY 1987 are a part of a growth plan designed to correct a serious deficiency in the FBI's ability to discharge our FCI responsibilities.

Budgetary needs identified for other programs are not being requested at this time due to the need for fiscal restraint.

DETAILS

Additional Special Agents are required to counter the increasing threat posed by the hostile intelligence services. There are over 4,500 officials present in the United States and nearly one-third of these are affiliated with hostile intelligence services. In addition to the official presence in the United States, there are more than 100,000 visitors, students and immigrants that come to this country each year from countries that are hostile or are of concern to the interests of the United States. Their intelligence services have used these groups to fulfill intelligence requirements in the past. Due to the increasingly aggressive nature of the intelligence services we expect to see this use continued. In addition to the threat present in officials, visitors, students, etc., FBI FCI Program managers have identified a number of specific investigative requirements that cannot be adequately met at our current resource level.

The FBI has other identified budgetary needs in its various investigative programs, however, due to the fiscal climate, the General Support request and the FCI request are those being transmitted to Congress.

QUESTION:

Was the FBI informed of plans to open a Consulate in Kiev staffed with 30 personnel? What will be the impact on the FCI workload of the FBI when the new Consulate is opened in New York?

EXECUTIVE SUMMARY RESPONSE:

Although the FBI has been regularly briefed regarding the status of the negotiations between the U.S. Department of State and the Soviet Ministry of Foreign Affairs, regarding the plans to open the consulate in Kiev, the specific number of personnel to be staffed at each consulate was not addressed. The opening of the Soviet Consulate in New York (SOVCONY) will require a proportionate number of additional Special Agents (SAs) and support personnel to cover this new establishment.

DETAILS:

The U.S. intelligence community considers the Soviets' Human Intelligence (HUMINT), and Signal Intelligence (SIGINT) capabilities the most dangerous threats to our national security. Most of Soviet intelligence gathering activity is known to be conducted utilizing official Soviet establishments as bases from which to operate. If the SOVCONY is staffed with new officials not already posted in the U.S., it is possible that a high percentage of them will be people who have never been posted in the U.S. before. This will require intensive investigative efforts to fully identify them and determine their intelligence affiliation and activities. In the past, the Soviets have demonstrated a propensity for going beyond their staffing limits by using "temporary" employees assigned under different status at another establishment, such as Amtorg Trading Company, and then reassigning them at a future date to the consulate.

In deliberations considering the opening of the SOVCONY, it has been stated that it would only "marginally" increase the presence in NYC. While this may be true, when considering numbers alone there are other factors to be considered which demonstrate that the new SOVCONY will exponentially increase the counterintelligence related problems in countering the to other U.S. cities, presents special problems in countering the Soviet threat. The location of the new SOVCONY will be approximately twelve miles from the NYO. Effective coverage is considerably more difficult than in other locations in the U.S. NYC has a very large Soviet emigre population - more likely the largest in the nation. Because of the nature of the business of a consulate, the routine access to this emigre community would be significantly increased. The SOVCONY would have a consular territory of many states to cover. Although there would be

QUESTION:

By how much has the FBI grown since FY 1981 in terms of positions and budget authority. How does this compare to the Department of Justice (DOJ) as a whole? How does this compare to the following agencies within DOJ: Drug Enforcement Administration (DEA); Immigration and Naturalization Service (INS); United States Marshals Service (USMS); and the Federal Prison System (FPS)?

EXECUTIVE RESPONSE:

The FBI's FY 1988 budget request to the Congress totals 22,974 positions and \$1,484,421,000 in budget authority (direct funding); this compares to FY 1981 appropriations of 19,306 positions and \$680,723,000. Thus, the FY 1988 budget request represents an increase over FY 1981 of 3,668 positions (19% increase) and \$803,698,000 (118% increase). As large as this increase in budget authority may appear, it must be remembered that this amount has not been adjusted for inflation. Quite a different picture emerges when this increase has been adjusted to reflect real growth. In terms of real growth from FY 1981, the FBI has experienced a 69 percent increase in budget authority (direct funding), significantly lower than the 118 percent increase in apparent growth. The FBI's apparent/real growth has lagged significantly behind the apparent/real growth for the DEA, INS, USMS, FPS, and DOJ as a whole.

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DETAILS

The first chart below reflects the growth in positions from FY 1981 through FY 1988 for selected DOJ agencies and for DOJ as a whole. The second and third charts reflect the contrast between apparent growth and real growth for these same components.

Growth in Positions

<u>Component</u>	<u>FY 1981</u>	<u>FY 1988</u>	<u>Growth</u>	<u>Percent Increase</u>
INS	10,886	15,453	4,567	42%
DEA	4,092	5,730	1,638	40%
USMS	2,177	2,948	771	35%
FPS	9,225	12,213	2,988	32%
DOJ	55,679	72,814	17,135	31%
FBI	19,306	22,974	3,668	19%

QUESTION:

The Senate-passed version of the Intelligence Authorization Act for 1988 contains a cost of living provision for the FBI's New York Office that would allow the FBI Director to provide additional compensation to FBI employees in that city. No other Department of Justice agency would be afforded such treatment under the provisions of the bill. We understand that the Bureau is in support of the provision.

If passed and signed into law by the President, the bill would create serious inequities between the FBI and other DOJ and Federal agencies. Has the FBI considered this fairness issue in formulating its position on the bill? If so, what solutions can the Bureau offer to the problem?

EXECUTIVE RESPONSE:

This legislation does not create serious inequities between the FBI and other Federal agencies in New York. It was because of the unique mission and responsibilities of the FBI and personnel problems associated with our ability to carry out this mission in New York that the Senate Select Committee on Intelligence (SSCI) proposed this legislation. It is certainly not unfair.

SSCI concluded that the high cost of living in the New York area "inevitably undermines the effectiveness of the New York Division in terms of its counterintelligence responsibilities." Other Federal agencies with comparable personnel standards, charged with responsibilities in foreign intelligence or foreign affairs have recognized this problem and provide compensation packages for their employees in New York. The FBI is unique in the Federal community for New York because of the size of the Agent complement (1,225 Special Agents), its foreign counterintelligence responsibilities, the unusual hours and availability required for the Agents, the rigid hiring standards of the FBI for Agent and non-Agent personnel alike which require top secret clearances for all employees and the need to encourage Agents to remain in New York thereby raising the experience level of the office and its ultimate effectiveness.

It is my understanding that the provision now being considered by the Intelligence Committees will provide for a 5-year demonstration project to ascertain the effect on recruitment, retention, and operations of paying an additional allowance to the employees of the New York Division. The language of the provision, as we are advised by staff, will be similar to the language of Title 5, U.S.C., Section 4703, titled "Demonstration Projects," which is used by OPM to conduct studies under like circumstances where Federal agencies have difficulty in recruiting and retaining competent personnel. Additionally, the FBI may be required to consult with and advise OPM, as well as appropriate Oversight Committees, on the plan formulated for New York and its results.

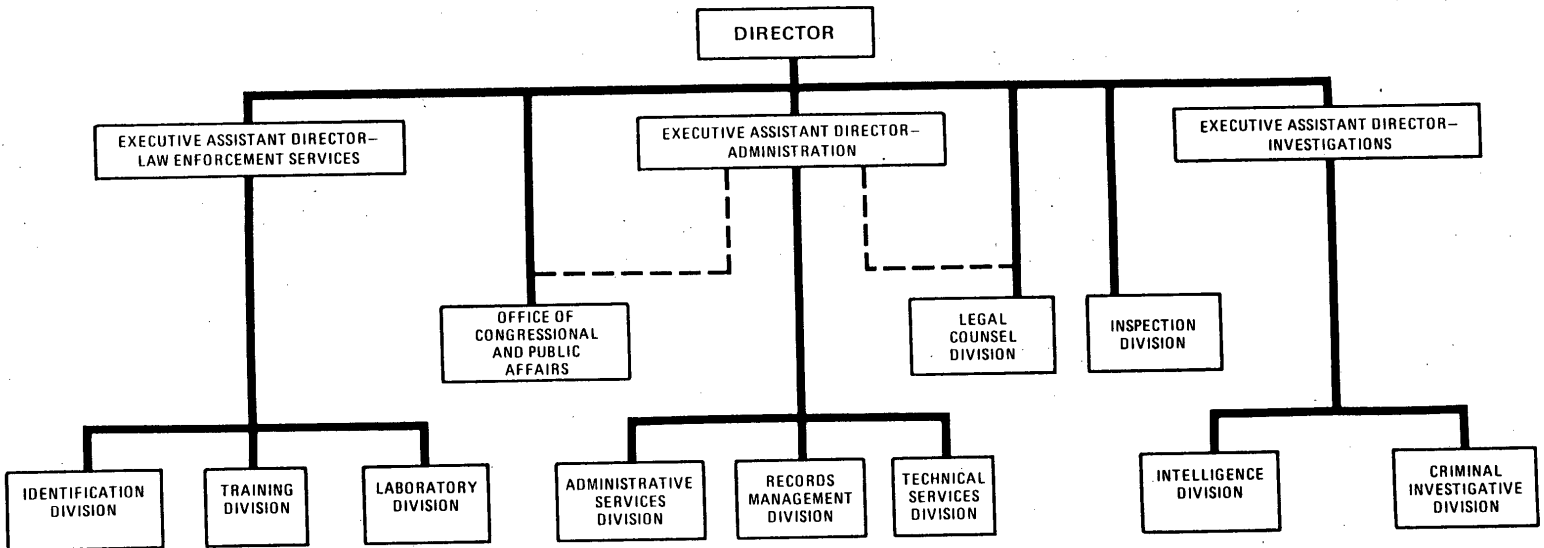
DETAILS:

The Special Agents (SAs) assigned to the New York Division are faced with difficult living conditions. In the forefront of these problems is the escalating cost of living which makes the purchase of a house practically an impossibility for even a GS-10 or GS-11 SA. The New York employee is confronted with many other exorbitant living expenses which are not evident to this magnitude in any other field division in the United States. Unless some action is taken to alleviate these hardships, the New York Division will be unable to maintain a high staffing level which is imperative to the efficiency and effectiveness of both the Criminal and Foreign Counterintelligence programs.

On 5/20/87, the Senate version of the Fiscal year (FY) 1988 Intelligence Authorization Bill, S.1243, was reported out of Committee by the Senate Select committee on Intelligence. Included in this Bill was Section 402, which provides that the Director of the FBI is "authorized to pay from appropriated funds additional compensation to the New York Field Division of the Federal Bureau of Investigation to the extent necessary and appropriate to defray unusual living expenses associated with such employment." The intent of this provision was to allow the FBI to decide what, if any, additional compensation would be appropriate in the way of a cost of living supplement or housing supplement to all employees assigned to the New York Field Division, regardless of which investigative program they are assigned.

There are ongoing discussions between the Hill and FBI Headquarters. The provision was voted on by the full Senate and approved. It will be conferenced by the House and Senate Intelligence Committees in early September when Congress reconvenes.

### FEDERAL BUREAU OF INVESTIGATION



Approved Edwin Meese III Date 28 Jan 86  
EDWIN MEESE III  
Attorney General



Federal Bureau of Investigation  
Summary Statement  
Fiscal Year 1989

For 1989, the FBI is requesting a total of \$1,503,307,000 in funding, 22,988 permanent positions, and 22,044 workyears. These direct funded resources represent program increases of \$99,011,000 in funding, 925 permanent positions and 464 workyears over the 1989 base level. The 1989 request includes a total of 9,790 special agent positions (9,438 workyears) and 13,198 support positions (12,606 workyears). The program increases in these categories are 236 special agent positions (125 workyears) and 689 support positions (339 workyears).

This request is being submitted after a thorough review and analysis of requests for increases from all aspects of the FBI that support the accomplishment of the FBI's mission and related strategic goals. In today's constrained fiscal environment, it is incumbent upon the FBI that only those requests for resources which are essential to the accomplishment of the agency's mission be considered. The FBI's 1989 request represents the continued commitment by the Administration to maintain the FBI as an effective national law enforcement agency dedicated to the investigation of criminal violations, protection of the United States from hostile intelligence efforts, and the preservation of the rights and well being of citizens. In this regard, the FBI will continue to emphasize Foreign Counterintelligence (FCI); Organized Crime; Drug Enforcement; White-Collar Crime; and Terrorism investigations as national investigative priorities. Additional support, both personnel and nonpersonnel, is inexorably needed to ensure that FBI Special Agents have sufficient resources to meet their responsibilities in these and other investigative areas.

The FBI's budget request for 1989 contains four budget activities incorporating eighteen decisions units. The budget activities are: Criminal, Security, and Other Investigations; Investigative Support; State and Local Assistance; and Program Direction. The major initiatives and resource requests for 1989 for the above-mentioned activities are summarized below:

Criminal, Security, and Other Investigations:

The investigative programs of this activity are FCI; Organized Crime; Drugs, including Organized Crime Drug Enforcement Task Forces; White-Collar Crime; Terrorism; General Crimes; and Civil Rights, Applicant, and Other Investigations. A program increase of 816 positions, 410 workyears and \$68,187,000 is requested in this activity over the 1989 base level. A significant portion of the requested increase in budget authority is attributed to confidential case expenditures. Adequate case funding provides support in the development of priority investigations. To counter the intelligence threat, the FBI engages in counterintelligence activities designed to reduce the effectiveness of the hostile intelligence presence in the United States.

The 1989 budget request reflects a strengthened emphasis on the investigation of white-collar criminal activities. Since 1984, management directives in White-Collar Crime investigative programs have increased agent time expended on priority matters from 90 percent in 1984 to 94 percent in 1987. Many nonpriority white-collar crime matters which come to the attention of the FBI are

referred to local authorities or other Federal agencies which have concurrent jurisdiction. This allows agents to address only the most complex, long term, and personnel intensive matters. Within the White-Collar Crime Program the FBI's principal investigative priority continues to be Fraud Against the Government Program with primary emphasis on Department of Defense (DOD) matters. Pending DOD fraud investigations increased 15 percent in 1987 compared to 1986, as a result of initiatives undertaken with the Defense Contract Audit Agency and the Defense Procurement Fraud Unit. In 1987, investigations in DOD matters resulted in 178 convictions and pretrial diversions. Fraud against the government places a heavy financial burden on the American taxpayer and, in addition, it erodes confidence of the public in the government's ability to manage resources.

Bank failures are reaching crisis levels in the United States; fraud is a contributing factor in many of these failures. Pending bank fraud matters, where losses exceeded \$100,000, including massive bank failures, increased 15 percent from 1986 to 1987. It is anticipated that workload will continue to increase through 1991, proportionate with increases experienced from 1986 to 1987. The FBI continues to place a high degree of priority on public corruption and election law matters. In 1987, there was a 20 percent increase compared to 1986 in the number of convictions in public corruption matters. An integral part of these investigations was the expanded use of court authorized electronic surveillance and undercover operations. These are effective, though personnel-intensive techniques. Heightened environmental awareness and complaints over illegal dumping of toxic waste materials have resulted in an increase in FBI investigative efforts in cooperation with the Environmental Protection Agency (EPA). The White-Collar Crime Program enhancements include 119 special agent positions, 130 support positions for a total of 249 positions. The augmented budget authority for this program is \$10,735,000.

Organized Crime investigations will continue to focus on the La Cosa Nostra's (LCN) criminal control and domination of four major national and international unions in the United States: The International Brotherhood of Teamsters; the Laborers' International Union of North America; the Hotel Employees International Union; and the International Longshoremen's Associations. Recent successes against the LCN can be attributed to the evolution of the enterprise theory of investigation. This approach requires that separate investigations conducted against individual members of a specific group of family be combined for prosecution, using both the civil and criminal provisions of Racketeer Influenced and Corrupt Organizations (RICO). Considerable emphasis will be placed upon civil RICO investigations which will increase the seizure of assets and forfeiture actions. The resources requested will enable the FBI, using civil and criminal investigative techniques to increase the prosecution of organized criminal groups. Organized Crime increases include 6 special agent positions, 58 support positions and \$4,590,000 in budget authority. With increased resources the FBI would be able to further implement the FBI's National Drug Strategy and to continue working closely with the Drug Enforcement Administration (DEA), Internal Revenue Service, and the U.S. Customs Service to penetrate drug trafficking organizations in a manner in which financial assets can be identified as proceeds of the illicit activity and subject to eventual seizure and forfeiture. The FBI will strive to reduce the incidence of illegal drug trafficking perpetrated by major organized groups including the Sicilian Mafia, Colombian, Mexican and Oriental Organized Crime groups through a systematic, coordinated and sustained basis. The requested increase would relieve agents from conducting routine and supportive functions and allow agents to concentrate more fully on strictly investigative activities. The Drug Program increases include 79 support positions and \$3,605,000 in budget authority.

The FBI's Terrorism Program continues to include activities directed at the reduction and prevention of the terrorism problem through intelligence and criminal investigations. A key element in addressing the international scope of terrorist activities and

in responding to recent legislation involving extraterritorial jurisdictional responsibilities is the assignment of Legal Attaches abroad. Requested personnel would be directly involved in the fulfillment of foreign liaison activities vital to the Terrorism Program.

Investigative Support:

The programs within this activity are: Training; Forensic Services - Federal; Automated Data Processing and Telecommunications; Records Management; and Technical Field Support and Equipment. This activity provides the training and the "tools" critical to the FBI's field investigative activities. It includes the maintenance of all investigative records and the entire FBI communications system. A program increase of 97 permanent positions, 49 workyears and \$24,135,000 in budget authority, consisting of \$3,313,000 for personnel and \$20,822,000 for nonpersonnel, is requested for 1989.

By 1989, baseline Field Office Information Management System (FOIMS) capabilities will be available to all FBI field offices and resident agencies. These capabilities would provide for indices, generic case management, administrative reporting, and other functions. At the baseline FOIMS level, each field office squad would have access to a limited number of computer workstations. Implementation of extended FOIMS functionality will commence with the installation of intelligent workstations at a ratio of one workstation for every two agents. The total number of field electronic technicians requested to support this program is 40 positions, 20 workyears and associated funding of \$1,000,000.

Between 1985 and 1987 the number of audio processing examinations increased 23 per cent. This increase of workload resulted in an extended turnaround time for examinations and a considerable backlog to develop. Electronics engineers are required to address the audio processing examinations workload. Additional electronics technicians are also required to maintain and service field radio communications systems which are part of the digital voice privacy (DVP) network. The current level of field electronics technicians cannot handle the additional support required for the greatly expanded radio system. To address these technical areas, an increase of 3 positions (2 workyears) for electronics engineers, 54 positions (27 workyears) for electronics technicians, and \$2,313,000 is requested for 1989.

In 1984, the FBI's Strategic Planning Group considered the impact of initiating a major effort to investigate labor racketeering matters. As a part of this undertaking, it was discovered that those agents having the most experience and success in labor racketeering cases were also those agents who were nearest to retirement and who would not be available for the entire duration of complex, multi-year investigations. Consequently, the FBI began to explore methods by which to institutionalize the investigative knowledge for the benefit of a younger agent work force. Expert systems provide assistance to humans involved in intellectual activities. The techniques utilized in an expert system are not merely mechanical aids in the handling of large amounts of data. The expert system is designed to intellectually examine data and provide information which becomes part of the decision making process. A nonpersonnel request of \$6,500,000 for 1989 allows the FBI to continue development of expert systems and to take advantage of new techniques as they are developed.

The FBI's data communications requirements are supported through the lease of telecommunications lines and circuits that permit field office personnel to access centralized data bases and information systems at FBI Headquarters and FOIMS data bases in

regional computer support centers by the Intra-FBI Records Communication System (IRCS). Without additional funding, the FBI would be forced to restrict access to field office users of the system which would directly effect operations by denying field investigators the use of intelligence data entered in FOIMS and other automated systems. To address rising IRCS costs, an increase of \$6,131,000 is requested.

Several nonpersonnel items are vital to the FBI. The FBI is requesting \$1,890,000 for electronic surveillance equipment which includes: \$300,000 for concealed body worn radio transmitters, \$300,000 for fiber optic microphone systems, and \$1,290,000 for automatic dialed number records systems. Other nonpersonnel items are \$5,115,000 for lease of radio tower sites for the digital voice privacy radio initiative and \$1,186,000 for the purchase of 87 surveillance vehicles.

State and Local Assistance:

The FBI provides state and local law enforcement officials with training, laboratory, fingerprint identification, and information services. As part of the President's Productivity Improvement Program, the Automated Identification System (AIS) initiative would accommodate an increased workload without comparable increases in staffing. The projects within AIS would address areas that are still manual and highly labor-intensive. The approach to increased productivity would be accomplished by three efforts: (1) implementation of an on-line, automated system with automated card and document transportation; (2) development and implementation of an automated fingerprint classification system; and (3) development and implementation of an automated fingerprint image retrieval system. The productivity improvement program would allow a comparably sized staff to process an additional 28 per cent of work, which equates to a cost avoidance savings of 649 additional workyears by 1997. An increase of \$6,380,000 is requested for nonpersonnel expenditures including \$2,500,000 for automated fingerprint readers; \$580,000 for process control number reader; \$1,500,000 for AIS-III ADP maintenance; and \$1,800,000 for automated classification/phase II research and development. Services provided to state and local law enforcement are important and because of the benefits provided to these agencies, reciprocal services are received by Federal authorities.

Program Direction:

This activity consists of two programs: Executive Direction and Control and Administrative Services. Included are the executive direction, administrative, legal, planning, inspection, and financial management functions of the FBI. Emphasis is being focused on the relatively small, but very essential, request for enhancements for Legal Counsel and Inspections. The FBI requires five special agent positions (two workyears) in Legal Counsel to handle forfeiture matters; two positions (one workyear) to perform Congressional undercover operational audits, and five positions (two workyears) to conduct General Ledger and operational audits in Inspections and \$309,000 in budget authority.

A-76 Savings:

Base-level reductions of 393 support workyears and \$3,335,000 are planned in anticipation of savings as a result of A-76 Program reviews being conducted by the FBI. The FBI is currently conducting three A-76 Program reviews in an effort to determine if the functions in these three areas could be contracted out to the private sector at a lower cost while maintaining at least the

current level of efficiency and effectiveness. None of the positions under study are agent positions or are investigative in nature but include various support functions. These studies have not yet been completed; the decrease reflects an estimate of the savings that may actually be realized based on Government experience to date.

Other Program Decreases:

Three additional program decreases were made to the following programs: Organized Crime - \$3,029,000; Technical Field Support and Equipment - \$450,000; and Administrative Services - \$150,000.

Federal Bureau of InvestigationSalaries and expensesJustification of Proposed Changes in Appropriation Language

The 1989 budget estimates include proposed changes in the appropriation language listed and explained below. New language is underscored and deleted matter is enclosed in brackets.

Salaries and expenses

For expenses necessary for detection, investigation, and prosecution of crimes against the United States; including purchase for police-type use of not to exceed [2,000] passenger motor vehicles of which 2,600  
 [1,650] will be for replacement only, without regard to the general purchase price limitation for the current fiscal year, and hire of passenger motor vehicles; acquisition, lease, maintenance and operation of aircraft; and not to exceed \$70,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General, and to be accounted for solely on his certificate; [\$1,388,492,000] of which 1,850  
 not to exceed [\$10,000,000] for automated data processing and telecommunications and \$1,000,000 for undercover operations shall remain available until September 30, [1989]; of which not to exceed \$3,000,000 for research related to investigative activities shall remain available until expended; [of which not to exceed \$13,000,000 for the construction of the Engineering Research Facility shall remain available until expended;] and of which not to exceed \$500,000 is authorized to be made available for making payments or advances for expenses arising out of contractual or reimbursable agreements with State and local law enforcement agencies while engaged in cooperative activities related to terrorism: Provided, That the Director of the Federal Bureau of Investigation may establish and collect fees to process fingerprint identification records for noncriminal employment and licensing purposes, and notwithstanding the provisions of 31 U.S.C. 3302, credit such fees to this appropriation to be used for salaries and other expenses incurred in providing these services: Provided further, That not to exceed [\$45,000] shall be available for official reception and representation expenses: Provided further, That [not to exceed \$8,000,000 for the expansion and renovation of the New York field office] shall remain \$70,000  
available until expended. \$11,358,000 for a language translation system

Mr. Glover

3/9/88

E. J. Sharp

DIRECTOR'S APPEARANCE BEFORE THE  
HOUSE APPROPRIATIONS SUBCOMMITTEE  
MARCH 22, 1988

PURPOSE: To submit an opening statement for the Director's appearance before the House Appropriations Subcommittee Hearing, for review and approval.

DETAILS: The Director's appearance before the House Appropriations Subcommittee is scheduled for Tuesday, March 22, 1988, at 2:00 p.m. Enclosed opening statement is being submitted for approval for use by the Director at his appearance before captioned Subcommittee.

RECOMMENDATION: That the opening statement for the House Appropriations Subcommittee be approved.

Enclosure

1 - Mr. Otto  
1 - Mr. Revell  
1 - Mr. Glover  
1 - Director's Office  
1 - Mr. Ahlerich  
1 - Mr. Bayse  
GMD:mef (14)

1 - Mr. Clarke  
1 - Mr. Geer  
1 - Mr. Sharp  
1 - Mr. Brixey  
① - Ms. Pagelsen  
1 - Mr. Davis  
1 - Mr. Edwards

DEPARTMENT OF JUSTICE  
WILLIAM S. SESSIONS  
STATEMENT OF THE DIRECTOR  
FEDERAL BUREAU OF INVESTIGATION  
BEFORE THE HOUSE APPROPRIATIONS SUBCOMMITTEE ON  
THE DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE,  
THE JUDICIARY, AND RELATED AGENCIES

GOOD AFTERNOON, MR. CHAIRMAN. I'M GLAD TO HAVE THIS OPPORTUNITY TO APPEAR BEFORE THE SUBCOMMITTEE AFTER SUCH A BRIEF INTERVAL, AND I'D LIKE TO THANK YOU ONCE AGAIN FOR ALLOWING ME TO APPEAR BEFORE THE SUBCOMMITTEE LAST DECEMBER IN SUPPORT OF OUR 1988 BUDGET.

WE ARE WELL AWARE OF THE ECONOMIC AND FISCAL PRESSURES BEFORE US. HOWEVER, I BELIEVE THAT THE FBI WILL FACE SERIOUS PROBLEMS IF ASKED TO ACCEPT INCREASING RESPONSIBILITIES AND OBLIGATIONS WITHOUT ADDITIONAL RESOURCES. THE FBI'S 1988 BUDGET HAS FORCED US TO STRIKE A VERY FRAGILE BALANCE BETWEEN THE AVAILABLE RESOURCES AND THE ABILITY TO MEET OUR INVESTIGATIVE RESPONSIBILITIES. BECAUSE OF LIMITED RESOURCES, TODAY THE FBI IS OFTEN UNABLE TO ADDRESS ALL OF THE INVESTIGATIVE RESPONSIBILITIES AT THE LEVEL WHICH I BELIEVE CONGRESS AND THE AMERICAN PEOPLE EXPECT.

I REALIZE THAT FISCAL RESPONSIBILITY REMAINS A VITAL CONCERN TO THE CONGRESS AND THE AMERICAN PEOPLE. THEREFORE, THE FBI IS SUBMITTING A LIMITED BUDGET REQUEST FOR 1989 TO MEET WHAT HAS BEEN RELENTLESS GROWTH OF OUR WORKLOAD IN ALL AREAS. WE ARE SEEKING A MODERATE INCREASE IN AGENT PERSONNEL FOR SOME OF OUR HIGHEST PRIORITY INVESTIGATIVE PROGRAMS. THE MAJORITY OF OUR REQUEST IS DEDICATED TO IMPROVING THE OPERATIONAL EFFECTIVENESS AND PRODUCTIVITY OF OUR EMPLOYEES. TO ACHIEVE THIS END, WE ARE



PROPOSING A NUMBER OF INITIATIVES IN THE AREAS OF AUTOMATION AND HIGH TECHNOLOGY.

FOR FISCAL YEAR 1989, WE ARE REQUESTING A TOTAL OF \$1,503,307,000; 22,988 POSITIONS; AND 22,044 DIRECT WORKYEARS. THIS REPRESENTS A NET INCREASE, OVER THE 1989 BASE, OF \$92,047,000; 532 PERMANENT POSITIONS; AND 71 DIRECT WORKYEARS.

MR. CHAIRMAN, I WILL NOW HIGHLIGHT TWO OF OUR INVESTIGATIVE PRIORITIES, WHITE-COLLAR CRIME AND FOREIGN COUNTERINTELLIGENCE, WHERE WE BELIEVE PROGRAM GROWTH IS JUSTIFIED FOR 1989.

#### WHITE-COLLAR CRIME

THE FBI'S WHITE-COLLAR CRIME INVESTIGATIVE WORKLOAD CONTINUES TO GROW UNABATED; PARTICULARLY IN THE AREAS OF DEPARTMENT OF DEFENSE PROCUREMENT FRAUD, BANK FRAUD AND EMBEZZLEMENT, PUBLIC CORRUPTION AND ELECTION LAW MATTERS, AND TOXIC WASTE FRAUD INVESTIGATIONS. THE ATTORNEY GENERAL'S ECONOMIC CRIME COUNCIL RECENTLY IDENTIFIED DEPARTMENT OF DEFENSE PROCUREMENT FRAUD AS THE TOP WHITE-COLLAR CRIME PRIORITY. THESE INVESTIGATIONS INVOLVE BRIBERY, IMPROPER CHARGES FOR LABOR, DEFECTIVE PRICING, PRODUCT SUBSTITUTION, AND FALSE-TEST CERTIFICATIONS. IN 1987, A LONG-TERM FBI INVESTIGATION OF THE DEFENSE PERSONNEL SUPPORT CENTER IN PHILADELPHIA LED TO THE INDICTMENTS OF NINE INDIVIDUALS AND FIVE CORPORATIONS FOR VIOLATIONS OF FEDERAL RACKETEERING STATUTES, WIRE AND MAIL FRAUDS, AND FALSE STATEMENTS TO THE UNITED STATES GOVERNMENT. THESE INDICTMENTS ALLEGE THAT OVER \$65 MILLION IN GOVERNMENT CONTRACTS WERE FRAUDULENTLY AWARDED. THE FBI'S HIGHEST PRIORITY

BANK FRAUD AND EMBEZZLEMENT INVESTIGATIONS, WHERE THE LOSS EXCEEDS \$100,000, INCREASED BY 15 PERCENT FROM 1986 TO 1987 AND BY 127 PERCENT FROM 1982 TO 1987. FROM 1982 TO 1987, AGENT RESOURCES ALLOCATED TO PUBLIC CORRUPTION INVESTIGATIONS -- WHICH EXCEEDED 1,350 CASES AT THE FEDERAL, STATE, AND LOCAL LEVEL -- GREW BY 27 PERCENT. JUST ONE INVESTIGATION DURING 1987 IN NEW YORK CITY RESULTED IN 48 SUBJECTS BEING CHARGED IN SYSTEMATIC KICKBACK SCHEMES. A RELATED CASE IN NEWARK RESULTED IN THE INDICTMENT OF TEN PUBLIC OFFICIALS FOR ALLEGEDLY PARTICIPATING IN KICKBACK SCHEMES. ENVIRONMENTAL CRIME CASES EXPANDED FROM 48 CASES IN 1984 TO 168 AT THE END OF 1987. WE CURRENTLY HAVE ENVIRONMENTAL CRIMES INVESTIGATIONS RANGING FROM ILLEGAL STORAGE, TRANSPORTATION AND DISPOSAL OF TOXIC WASTE BY UNSCRUPULOUS COMPANIES TO CORRUPTION OF PUBLIC OFFICIALS AND INFILTRATION OF DISPOSAL FACILITIES BY ORGANIZED CRIME FAMILIES.

IN SHORT, OUR REQUEST FOR OUR WHITE-COLLAR CRIME PROGRAM TOTALS AN ADDITIONAL 119 AGENT AND 130 SUPPORT POSITIONS AND \$10.7 MILLION IN BUDGET AUTHORITY.

#### FOREIGN COUNTERINTELLIGENCE

WE REQUIRE ADDITIONAL RESOURCES TO COPE WITH THE CONSTANT THREAT THAT HOSTILE ACTIVITIES OF FOREIGN INTELLIGENCE SERVICES PRESENT TO OUR NATIONAL SECURITY. RAPID TECHNOLOGICAL ADVANCES AND EMERGING DIPLOMATIC INITIATIVES UNDERSCORE THE NECESSITY FOR ENHANCEMENTS TO THE FOREIGN COUNTERINTELLIGENCE PROGRAM, WHICH IS ONE OF THE PRESIDENT'S HIGHEST-PRIORITY PROGRAMS.

ALTHOUGH THE FOREIGN COUNTERINTELLIGENCE PROGRAM HAS ENJOYED A SIGNIFICANT INCREASE IN RESOURCES OVER THE LAST FIVE YEARS, THIS CAME TO AN ABRUPT HALT IN 1988 WHEN THE PROGRAM WAS ACTUALLY REDUCED BY \$5.3 MILLION. THE REDUCTION CAME AT AN ESPECIALLY UNFORTUNATE TIME BECAUSE OUR RESPONSIBILITIES HAVE ALSO GROWN SIGNIFICANTLY OVER THE LAST FIVE YEARS AND, INDEED, CONTINUE TO GROW. FOR EXAMPLE, IN 1988 WE EXPECT A HUGE INCREASE IN SOVIET VISITORS AND EMIGRES, AND VISITS BY SOVIET SHIPS. WE PROJECT PERHAPS AS MANY AS 105,000 INDIVIDUALS TO ENTER THE UNITED STATES IN 1988 AS COMPARED WITH APPROXIMATELY 96,750 IN 1987.

DURING 1987, 11 INDIVIDUALS WERE ARRESTED FOR VIOLATIONS WITHIN THE FOREIGN COUNTERINTELLIGENCE PROGRAM. I MIGHT ADD, THAT ONE INDIVIDUAL ARRESTED IN 1986 WAS CONVICTED OF ESPIONAGE IN 1987. NINE ADDITIONAL INDIVIDUALS WERE CONVICTED FOR TECHNOLOGY TRANSFER-RELATED OFFENSES, ONE OF WHOM HAD BEEN EXTRADITED TO THE UNITED STATES IN 1986.

I WOULD NOW LIKE TO ADDRESS SEVERAL SPECIFIC AREAS OF CONCERN REQUIRING BUDGET INCREASES FOR 1989.

#### CONFIDENTIAL CASE FUNDING

FIRST, CONFIDENTIAL CASE FUNDING IS THE LIFE BLOOD NECESSARY TO DEVELOP ALMOST EVERY MAJOR FBI INVESTIGATION. THESE RESOURCES PROVIDE ESSENTIAL FUNDING IN FAST-MOVING CASES TO PAY FOR ITEMS SUCH AS SHORT-TERM RENTAL OF SPACE AND VEHICLES, PURCHASE OF EVIDENCE, TELEPHONE CHARGES AND UTILITIES, AND TELEPHONE LEASE LINES RELATED TO TITLE III SURVEILLANCES AND PEN REGISTERS. I CAN ASSURE YOU THAT THESE EXPENSES ARE CLOSELY

SCRUTINIZED AND APPROVED ON A CASE-BY-CASE BASIS BY SPECIAL AGENTS-IN-CHARGE OR BY FBI HEADQUARTERS.

EXPENDITURES IN THIS AREA HAVE INCREASED FROM \$3.9 MILLION IN 1982 TO \$12.3 MILLION IN 1987. WE ARE REQUESTING AN ADDITION OF \$9.1 MILLION FOR CONFIDENTIAL CASE FUNDING TO ENSURE THAT OUR INVESTIGATIONS ARE NOT INHIBITED FOR LACK OF RESOURCES.

#### GENERAL AND SPECIAL SUPPORT POSITIONS

SECOND, AS IN PREVIOUS YEARS, THE FBI HAS A CONTINUING NEED FOR ADDITIONAL SPECIAL AND GENERAL SUPPORT EMPLOYEES. THESE EMPLOYEES PROVIDE CRITICAL ANALYTICAL AND TECHNICAL SERVICES TO OUR AGENTS, PRIMARILY IN OUR MOST COMPLEX AND HIGHEST PRIORITY CASES. THIS ENABLES US TO USE OUR VERY LIMITED AGENT RESOURCES WHERE WE NEED THEM THE MOST, AND WHERE THEIR UNIQUE SKILLS AND TRAINING CAN BE MAXIMIZED. TYPICAL OF THIS CATEGORY OF SUPPORT EMPLOYEES IS OUR REQUEST THIS YEAR FOR 36 ORGANIZED CRIME INFORMATION SYSTEM ANALYSTS TO ENHANCE OUR DRUG INVESTIGATION CAPABILITIES. THESE ANALYSTS WOULD BE RESPONSIBLE FOR OPERATING THE AUTOMATED INFORMATION SYSTEMS THAT HAVE HELPED THE FBI TO DISSECT SOPHISTICATED AND COMPLEX DRUG TRAFFICKING NETWORKS AND OTHER ORGANIZED CRIMINAL ENTERPRISES. THE USE OF KEY SUPPORT EMPLOYEES IS A BASIC ELEMENT OF THE FBI'S OVERALL EFFORT TO OBTAIN THE UTMOST COST EFFECTIVENESS AND PRODUCTIVITY FROM OUR AGENTS.

#### EXPERT SYSTEMS DEVELOPMENT

THIRD, ARTIFICIAL INTELLIGENCE AND THE USE OF EXPERT SYSTEMS ARE AMONG THE MOST PROMISING PROJECTS DESIGNED TO BOOST AGENT PRODUCTIVITY. THE SCOPE AND COMPLEXITY OF FBI

INVESTIGATIONS AND OPERATIONS REQUIRE CAPABILITIES BEYOND CONVENTIONAL INFORMATION SYSTEMS. EXPERT SYSTEMS FILL INFORMATION GAPS, SUGGEST COURSES OF INVESTIGATIVE ACTION, PRESERVE INSTITUTIONAL KNOWLEDGE, AND FACILITATE THE DEVELOPMENT OF INVESTIGATIVE SKILLS OF NEW AGENTS. IN 1987, EXPERT SYSTEMS WERE INSTRUMENTAL IN THE INTERDICTION AND SEIZURE OF OVER 26 TONS OF ILLEGAL DRUGS WITH A VALUE OF OVER \$10 MILLION.

WE ARE REQUESTING \$6,500,000 TO CONTINUE EXPERT SYSTEMS DEVELOPMENT.

#### AUTOMATED IDENTIFICATION SYSTEM

FOURTH, THE AUTOMATED IDENTIFICATION SYSTEM IS THE FBI'S LEADING PRODUCTIVITY INITIATIVE, FURNISHING IMPRESSIVE PREMIUMS IN THE PROCESSING OF FINGERPRINT CARDS. THE AUTOMATED IDENTIFICATION SYSTEM IS INCLUDED WITHIN THE PRESIDENT'S PRODUCTIVITY IMPROVEMENT PROGRAM BECAUSE OF ITS POTENTIAL FOR IMPROVING PRODUCTIVITY IN GOVERNMENT.

THE PROCESSING OF FINGERPRINT CARDS IS CRUCIAL TO THE ENTIRE CRIMINAL JUSTICE SYSTEM, INCLUDING ALL FEDERAL, STATE, AND LOCAL PROCEEDINGS. EXTENSIVE DELAYS IN PROCESSING CRIMINAL FINGERPRINT CARDS CAN RESULT IN THE RELEASE OF FUGITIVES BEFORE THEIR TRUE IDENTITIES ARE DETERMINED, INTERFERENCE WITH CRIMINAL INVESTIGATIONS, AND OBSTRUCTIONS OF PROSECUTORIAL, JUDICIAL, PENAL, AND PAROLE OR PROBATION ACTIONS. THE AUTOMATED IDENTIFICATION SYSTEM WILL REPLACE MANUAL CARD AND DOCUMENT TRANSPORTATION. WITH FURTHER DEVELOPMENT THIS SYSTEM WILL PROVIDE AUTOMATIC FINGERPRINT CLASSIFICATION, FINGERPRINT IMAGE RETRIEVAL, AND VOICE-ACTIVATED DATA ENTRY. THE FBI'S CURRENT

PROCESSING TIME WILL BE REDUCED FROM 14 DAYS TO ONE DAY. A STAFF OF SIMILAR SIZE WILL BE ABLE TO PROCESS AN ADDITIONAL 28 PERCENT OF WORK, RESULTING IN A COST AVOIDANCE SAVINGS OF 649 ADDITIONAL WORKYEARS BY 1997.

WE ARE REQUESTING AN ENHANCEMENT OF \$6,380,000 TO CONTINUE DEVELOPMENT AND PROCUREMENT OF EQUIPMENT FOR THIS KEY PRODUCTIVITY INITIATIVE.

MR. CHAIRMAN, THIS CONCLUDES MY FORMAL STATEMENT; HOWEVER, I HAVE A MORE DETAILED STATEMENT OF OUR ACTIVITIES FOR THE RECORD. I'LL BE GLAD TO ANSWER ANY QUESTIONS YOU MAY HAVE.

Federal Bureau of Investigation

Salaries and expenses

Justification of Proposed Changes in Appropriation Language (continued)

(28 U.S.C. 524; 531-37; 18 U.S.C. 3052, 3059; 22 U.S.C. 4081, 4084;  
Department of Justice Appropriation Act, 1988; additional authorizing  
legislation to be proposed.)

Explanation of changes

1. Language is being requested for the purchase of additional motor vehicles to support personnel increases and for operational flexibility. This is required because the FBI has not been able to purchase the additional vehicles needed to support investigative personnel increases over the past two years. Currently, the FBI has purchased no additional vehicles allowed for 1988, although there is a documented need for an additional 139 vehicles. At the end of 1987, the FBI had 2,342 vehicles which exceeded the current replacement cycle of six years or 60,000 miles. Therefore, the FBI is requesting a change in language to allow the procurement of 1,850 replacement vehicles. For 1989, the FBI anticipates that funding will be available to procure approximately 1,362 vehicles, and flexibility is required in the determination as to whether to procure additional vehicles or replacement vehicles. Therefore, a total ceiling of 2,600 vehicles is required.
2. Language is being requested in order to provide for sufficient carryover funding for multiyear automated data processing and telecommunications projects currently underway.
3. In 1988, \$13,000,000 was requested for the construction of the Engineering Research Facility; this funding was to be recurred in 1989. Due to the multiyear nature of major construction projects, no-year funding authority was also requested. The FBI's 1988 appropriation did not include the requested Engineering Research Facility funding. The deletion is made because it is not necessary for no-year spending authority to be included in the 1989 appropriation language.
4. Language is being requested to reflect an increased level of expenditures by Headquarters and the Legal Attaches for reception and representation purposes.
5. The funding of \$11,358,000 for a highly sophisticated system to assist with language translation and recording is requested as "until expended" because of the multiyear nature of the project.

## Federal Bureau of Investigation

## Salaries and expenses

Crosswalk of 1988 Changes  
(Dollars in thousands)

Activity/Program	1988 President's Budget Request			Congressional Appropriation Action on 1988 Request			Reprogrammings			1988 As Enacted		
	Pos.	WY	Amount	Pos.	WY	Amount	Pos.	WY	Amount	Pos.	WY	Amount
1. Criminal, Security, & Other Investigations:												
a. Other Field Programs.....	9,192	8,917	\$583,806	-264	-198	-\$33,549	-5	-7	\$1,678	8,923	8,712	\$551,935
b. Organized Crime.....	2,934	2,785	162,155	-245	-163	-14,184	-1,014	-1,014	-57,351	1,675	1,608	90,620
c. Drugs.....	...	...	...	-12	-12	-2,469	1,585	1,585	104,873	1,573	1,573	102,404
d. Organized Crime Drug Enforcement.....	546	546	46,254	...	...	...	-546	-546	-46,254	...	...	...
e. White-Collar Crime.....	3,124	2,997	176,959	-79	-39	-2,795	-24	-24	-486	3,021	2,934	173,678
Subtotal.....	15,796	15,245	\$969,174	-600	-412	-\$52,997	-4	-6	\$2,460	15,192	14,827	\$918,637
2. Investigative Support:												
a. Training.....	378	367	\$26,692	10	10	-\$2,295	12	12	\$720	400	389	\$25,117
b. Forensic Services-Federal...	336	325	21,117	...	...	140	2	2	120	338	327	21,377
c. ADP & Telecommunications...	569	557	134,559	10	10	966	12	12	380	591	579	135,905
d. Legal Attaches.....	78	76	5,977	...	...	...	-78	-76	-5,977	...	...	...
e. Records Management.....	1,232	1,191	43,527	34	34	628	29	29	1,188	1,295	1,254	45,343
f. Technical Field Support & Equipment.....	197	159	94,062	-45	-10	-30,791	-1	-1	-60	151	148	63,211
Subtotal.....	2,790	2,675	\$325,934	9	44	-\$31,352	-24	-22	-\$3,629	2,775	2,697	\$290,953
3. State & Local Assistance:												
a. General Law Enforcement Training.....	281	273	\$19,189	2	2	\$10	-10	-10	-\$600	273	265	\$18,599
b. Forensic Services- Non-Federal.....	122	119	9,123	...	...	59	...	...	...	122	119	9,182
c. Fingerprint Identification..	2,509	2,521	86,037	74	74	1,299	1	1	60	2,584	2,596	87,396
d. Criminal Justice Data & Statistics Services.....	194	189	9,130	11	11	169	-1	-1	-60	204	199	9,239
Subtotal.....	3,106	3,102	\$123,479	87	87	\$1,537	-10	-10	-\$600	3,183	3,179	\$124,416



Crosswalk of 1988 Changes (continued)  
(Dollars in thousands)

Activity/Program	1988 President's Budget Request			Congressional Appropriation Action on 1988 Request			Reprogrammings			1988 As Enacted		
	Pos.	WY	Amount	Pos.	WY	Amount	Pos.	WY	Amount	Pos.	WY	Amount
4. Program Direction:												
a. Executive Direction & Control.....	511	492	\$26,302	8	8	\$251	...	...	-\$5	519	500	\$26,548
b. Administrative Services..	771	753	29,949	-22	-21	-3,785	38	38	1,774	787	770	27,938
Subtotal.....	1,282	1,245	\$56,251	-14	-13	-\$3,534	38	38	1,769	1,306	1,270	\$54,486
Total.....	22,974	22,267	\$1,474,838	-518	-294	-\$86,346	...	...	...	22,456	21,973	\$1,388,492

Congressional Appropriation Actions

The Congress reduced requested funding by 718 positions, 494 workyears, and \$86,346,000, of which 718 positions, 494 workyears and \$75,775,000 were program increases and \$10,571,000 were reductions to base funding. Base level reductions were applied as follows: automobiles - \$3,000,000; and field technical equipment - \$9,571,000.

Proposed Management Productivity Savings of 200 positions and workyears and \$2,000,000 were restored by Congress.

Reprogrammings

These reprogrammings reflect the reallocation of personnel due to increases in workload and transfers of functional responsibilities between and among decision units, as well as management initiatives to improve organizational effectiveness and productivity. Among major reprogramming actions were the creation of a new Drugs decision unit from resources derived from the Organized Crime and Organized Crime Drug Enforcement decision units; the reallocation of resources from the General Crimes decision unit to the Terrorism decision unit; the dissolution of the Legal Attaches decision unit and reallocation of these resources among field investigative programs; the establishment of an Office of Liaison and International Affairs to centralized investigations of maintenance/contract employees and to perform personnel reinvestigations.

Federal Bureau of Investigation  
Salaries and Expenses  
Summary of Requirements  
(Dollars in thousands)

<u>Adjustments to base:</u>				<u>Perm.</u>				<u>Workyears</u>				<u>Amount</u>
1988 enacted.....				22,456				21,973				\$1,388,492
Uncontrollable increases.....				...				...				41,582
Decreases.....				...				...				-18,814
1989 Base.....				<u>22,456</u>				<u>21,973</u>				<u>\$1,411,260</u>
<u>Estimates by Budget Activity</u>	<u>1988 As Enacted</u>			<u>1989 Base</u>			<u>1989 Estimate</u>			<u>Increase/Decrease</u>		
	<u>Perm.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm.</u>	<u>WY</u>	<u>Amount</u>
	<u>Pos.</u>			<u>Pos.</u>			<u>Pos.</u>			<u>Pos.</u>		
1. Criminal, Security, and Other Investigations.....	15,192	14,827	\$918,637	15,192	14,827	\$931,022	16,008	15,237	\$996,180	816	410	\$65,158
2. Investigative Support.....	2,775	2,697	290,953	2,775	2,697	297,855	2,644	2,518	319,606	-131	-179	21,751
3. State and Local Assistance...	3,183	3,179	124,416	3,183	3,179	127,031	3,049	3,045	132,273	-134	-134	5,242
4. Program Direction.....	<u>1,306</u>	<u>1,270</u>	<u>54,486</u>	<u>1,306</u>	<u>1,270</u>	<u>55,352</u>	<u>1,287</u>	<u>1,244</u>	<u>55,248</u>	-19	-26	-104
Total	<u>22,456</u>	<u>21,973</u>	<u>\$1,388,492</u>	<u>22,456</u>	<u>21,973</u>	<u>\$1,411,260</u>	<u>22,988</u>	<u>22,044</u>	<u>\$1,503,307</u>	<u>532</u>	<u>71</u>	<u>\$92,047</u>
<u>EOY Employment</u>	<u>Approp.</u>	<u>Reimb.</u>	<u>Total</u>	<u>Approp.</u>	<u>Reimb.</u>	<u>Total</u>	<u>Approp.</u>	<u>Reimb.</u>	<u>Total</u>	<u>Approp.</u>	<u>Reimb.</u>	<u>Total</u>
	<u>Pos.</u>			<u>Pos.</u>			<u>Pos.</u>			<u>Pos.</u>		
Full-time permanent.....	22,287	1,029	23,316	22,287	1,529	23,816	22,378	1,607	23,985	91	78	169
Other.....	<u>103</u>	...	<u>103</u>	<u>103</u>	...	<u>103</u>	<u>103</u>	...	<u>103</u>	...	...	...
	22,390	1,029	23,419	22,390	1,529	23,919	22,481	1,607	24,088	91	78	169

Federal Bureau of Investigation

Salaries and Expenses

Summary of Resources by Program

(Dollars in thousands)

Estimates By Programs	1987 As Enacted			1987 Actual			1988 As Enacted			1989 Base			1989 Estimate			Increase/Decrease		
	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount
Criminal Security and Other Investigators:																		
Other Field Programs.....	8,923	8,614	\$512,523	8,481	7,898	\$472,619	8,923	8,712	\$551,935	8,923	8,712	\$553,519	9,347	8,925	\$602,776	424	213	\$49,257
Organized Crime.....	1,675	1,590	83,123	1,674	1,562	96,728	1,675	1,608	90,620	1,675	1,608	92,713	1,739	1,640	94,274	64	32	1,561
Drugs.....	1,573	1,567	94,696	1,921	1,795	97,117	1,573	1,573	102,404	1,573	1,573	107,288	1,652	1,613	110,893	79	40	3,605
White-Collar Crime.....	3,021	2,915	158,384	3,071	2,871	152,101	3,021	2,934	173,678	3,021	2,934	177,502	3,270	3,059	188,237	249	125	10,735
Subtotal.....	15,192	14,686	\$848,726	15,147	14,126	\$818,565	15,192	14,827	\$918,637	15,192	14,827	\$931,022	16,008	15,237	\$996,180	816	410	\$65,158
Investigative Support:																		
Training.....	400	389	\$23,896	424	413	\$ 26,877	400	389	\$25,117	400	389	\$28,379	381	370	\$28,218	-19	-19	-\$161
Forensic Services - Federal	338	327	19,640	338	285	18,107	338	327	21,377	338	327	21,712	319	308	21,551	-19	-19	-161
ADP & Telecommunications..	591	578	132,048	591	601	122,048	591	579	135,905	591	579	136,413	590	568	149,696	-1	-21	13,283
Records Management.....	1,295	1,254	41,306	1,328	1,243	41,969	1,295	1,254	45,343	1,295	1,254	46,289	1,155	1,114	45,101	-140	-140	-1,188
Technical Field Support & Equipment.....	151	148	68,741	151	152	87,142	151	148	63,211	151	148	65,062	199	168	75,040	48	20	9,978
Subtotal.....	2,775	2,696	\$285,631	2,832	2,694	\$296,143	2,775	2,697	\$290,953	2,775	2,697	\$297,855	2,644	2,518	\$319,606	-131	-179	\$21,751

Federal Bureau of Investigation

Salaries and Expenses

Summary of Resources by Program (continued)  
(Dollars in thousands)

Estimates By Programs	1987 As Enacted			1987 Actual			1988 As Enacted			1989 Base			1989 Estimate			Increase/Decrease		
	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount
State and Local Assistance:																		
General Law Enforcement																		
Training.....	273	265	\$16,756	261	244	\$14,262	273	265	\$18,599	273	265	\$18,837	273	265	\$18,837	...	...	...
Forensic Svcs.-Non-Fed.	122	119	8,346	122	154	9,750	122	119	9,182	122	119	9,348	122	119	9,348	...	...	...
Fingerprint Ident.....	2,584	2,596	78,682	2,584	2,374	68,537	2,584	2,596	87,396	2,584	2,596	89,447	2,455	2,467	94,732	-129	-129	\$5,285
Criminal Justice Data & Statistics Services..	204	199	8,486	204	175	7,654	204	199	9,239	204	199	9,399	199	194	9,356	-5	-5	-43
Subtotal.....	3,183	3,179	\$112,270	3,171	2,947	\$100,203	3,183	3,179	\$124,416	3,183	3,179	\$127,031	3,049	3,045	\$132,273	-134	-134	\$5,242
Program Direction:																		
Executive Direction and Control.....	519	500	\$24,446	519	492	\$28,896	519	500	\$26,548	519	500	\$27,049	531	505	\$27,358	12	5	\$309
Administrative Services	787	770	21,230	787	788	64,716	787	770	27,938	787	770	28,303	756	739	27,890	-31	-31	-413
Subtotal.....	1,306	1,270	\$51,676	1,306	1,280	\$93,612	1,306	1,270	\$54,486	1,306	1,270	\$55,352	1,287	1,244	\$55,248	-19	-26	-\$104
Total.....	22,456	21,831	\$1,298,303	22,456	21,047	\$1,308,523	22,456	21,973	\$1,388,492	22,456	21,973	\$1,411,260	22,988	22,044	\$1,503,307	532	71	\$92,047
Reimbursable Workyears (WYs)		712			764			1,029			1,529			1,607				78
Total WYs.....		22,453			21,811			23,002			23,502			23,651				149
Other WYs:																		
Holiday.....		68			66			71			71			71				...
Overtime																		
AOD.....		2,221			2,024			2,229			2,229			2,258				29
Other.....		267			205			267			267			267				...
Total Compensable WYs.....		25,009			24,106			25,569			26,069			26,247				178

Federal Bureau of InvestigationSalaries and expensesJustification of Program and PerformanceActivity Resource Summary  
(Dollars in thousands)

Activity: Criminal, Security, and Other Investigations	<u>1988 As Enacted</u>			<u>1989 Base</u>			<u>1989 Estimate</u>			<u>Increase/Decrease</u>		
	<u>Perm. Pos.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm. Pos.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm. Pos.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm. Pos.</u>	<u>WY</u>	<u>Amount</u>
Other Field Programs.....	8,923	8,712	\$551,935	8,923	8,712	\$553,519	9,347	8,925	\$602,776	424	213	\$49,257
Organized Crime.....	1,675	1,608	90,620	1,675	1,608	92,713	1,739	1,640	94,274	64	32	1,561
Drugs.....	1,573	1,573	102,404	1,573	1,573	107,288	1,652	1,613	110,893	79	40	3,605
White-Collar Crime.....	3,021	2,934	173,678	3,021	2,934	177,502	3,270	3,059	188,237	249	125	10,735
Total.....	15,192	14,827	918,637	15,192	14,827	931,022	16,008	15,237	996,180	816	410	65,158

This budget activity includes resources for managing and coordinating field investigations and resources for all field investigative operations for the FBI. The operations are conducted out of 59 field offices and more than 390 resident agencies located throughout the United States and Puerto Rico. Field offices are responsible for all investigations including the national priority law enforcement areas of organized crime, drugs, white-collar crime, terrorism, and foreign counterintelligence. This activity also includes the field legal attaches program.

	<u>1988 As Enacted</u>			<u>1989 Base</u>			<u>1989 Estimate</u>			<u>Increase/Decrease</u>		
	<u>Perm. Pos.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm. Pos.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm. Pos.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm. Pos.</u>	<u>WY</u>	<u>Amount</u>
Other Field Programs .....	8,923	8,712	\$551,935	8,923	8,712	\$553,519	9,347	8,925	\$602,776	424	213	\$49,257

**Long Range Goal:** To reduce the incidence of various general criminal activities; to conduct appropriate applicant, civil rights, and fugitive investigations as directed by law and the Attorney General; and to counter within the United States the hostile activities of foreign intelligence officers, agents, and terrorists.

**Major Objectives:**

To conduct thorough, penetrative, and timely background investigations on candidates for appointment by and employment with the White House, the Department of Justice, including the Drug Enforcement Administration, certain Congressional committees, and other Federal agencies.

To investigate alleged violations of various Civil Rights statutes, and provide, on a timely basis, the results of civil rights investigations to the Department of Justice for prosecutive action or referral to another Federal agency.

To effectively recruit, process, investigate, and appoint the most qualified individuals available to meet the internal staffing needs of the FBI, and certain categories of candidates for appointment by the Drug Enforcement Administration.

To investigate threats and assaults against, kidnapings, or assassination of the President, Vice President, executive department heads, members of Congress, Justices of the Supreme Court, other designated Government officials, and Federal law enforcement officers; kidnapings; incidents involving the sexual exploitation of children; extortions; crimes aboard aircraft; tampering with consumer products; thefts of controlled substances; and other personal crimes under FBI jurisdiction.

To locate and apprehend local and state fugitives charged under the Fugitive Felon Act with unlawful flight to avoid arrest, prosecution, or confinement for violent crimes, substantial property thefts, and drug violations; to locate and apprehend major Federal drug offenders sought by the Drug Enforcement Administration; United States military personnel who desert under aggravated circumstances; and to assist local and foreign police agencies in criminal investigations.

To assist Interpol in criminal investigations in those foreign countries not covered by an FBI Legal Attache. To conduct investigations in fraud and related activities in connection with identification documents without a disclaimer.

To achieve the maximum bank robbery solution rate and most effective prosecutive results possible by providing an immediate investigative response to reported offenses and conducting logical investigation to identify, locate, and apprehend individuals responsible for these crimes.

To identify, investigate, and develop cases for prosecution against individuals and organized groups involved in thefts from interstate shipments or engaged in the interstate transportation of stolen property, motor vehicle theft rings, other Federal property crimes, and the fencing of stolen goods.

To investigate serious personal and major property crimes committed on Indian reservations, in Federal correctional institutions, and on United States Government property; thefts of United States property, funds, weapons, and explosives from Federal buildings, supply depots, and installations; and Selective Service Act matters. To investigate impersonation situations where a person assumes or pretends to be an officer or employee acting under the authority of the United States.

To identify, penetrate, and neutralize activities inimical to the United States.

To prevent terrorist acts and to locate, identify, and arrest persons advocating terrorism or committing or supporting terrorist acts.

**Base Program Description:** Other Field Programs is the largest investigative program in the Criminal, Security, and Other Investigations budget activity. The program consists of a myriad of diverse investigative activities, including civil rights matters, applicant matters, state and local fugitive matters, personal crimes, property crimes, crimes on Indian reservations, thefts of Government property, and other security investigations.

The Civil Rights, Applicant, and Other Investigations portion of this decision unit addresses several distinct areas, including background investigations, civil rights investigations, and FBI employment matters. The suitability and trustworthiness of candidates for appointment to executive and managerial positions and candidates for appointment to positions which are sensitive within the Federal Government are matters of fundamental concern for all citizens. The prompt and thorough investigation of alleged violations of Federal civil rights statutes is basic to constitutional guarantees. In addition, the citizenry expects the FBI to attract and employ the most qualified applicants for its internal staffing needs.

Through the Fugitive Program the FBI assists state and local law enforcement agencies seeking felons who cross state boundaries to avoid prosecution or confinement. General Government Crimes Program investigations are directed toward serious personal and major property crimes committed on Indian reservations and United States property, including approximately 430 major Department of Defense installations, civilian agency buildings and sites, national parks and recreational areas, and Federal penitentiaries and correctional facilities. General Property Crimes Program investigations focus on thefts from interstate shipment, the interstate transportation of stolen property and/or motor vehicles, individuals and groups engaged in such activities, and fences dealing in stolen property. The Personal Crimes Program addresses a group of offenses involving the common characteristics of threatened or actual injury or loss of life including threats against the President, Vice President, executive department heads, Supreme Court Justices, members of Congress and others; bank robberies; kidnappings; extortions; tampering with consumer products; theft of controlled substances; and aircraft hijackings and other crimes aboard an aircraft. Beginning in 1986, the Personal Crimes Program became responsible for the investigation of matters involving the sexual exploitation of children through violations of the White Slave Traffic Act and the Interstate Transportation of Obscene Matter statutes.

The FBI is the lead Federal law enforcement agency in the United States Government's fight against terrorism. The FBI defines terrorism as the unlawful use of force or violence against persons or property to intimidate or coerce a government, the civilian population, or any segment thereof in furtherance of political or social objectives. The FBI categorizes terrorism as either domestic or international depending on origin, base, and objectives of the terrorist organization. Domestic terrorist groups originating in the United States are pursuant under the Attorney General's Guidelines for Domestic Security/Terrorism (DS/T) Investigations. DS/T investigations are used to assemble intelligence information on terrorist groups, but provide the safeguards designed specifically to protect the rights of United States citizens and other persons protected by the Constitution of the United States. FBI Headquarters personnel examine these cases to insure that the investigative procedures being utilized are in compliance with the DS/T Investigative Guidelines.

The reactive portion of the program utilizes all the resources and techniques of the FBI to aggressively investigate and prosecute terrorists who commit violent and/or illegal acts in the United States. The reactive portion of the program also includes the FBI response to high risk terrorist takeovers and hostage barricade situations. To provide the President and the Attorney General with a civilian law enforcement alternative to those of military force, the FBI has instituted and is continuing to develop and train a Hostage Rescue Team (HRT).

The FBI Legal Attache's mission is to establish and maintain close personal liaison with all principal law enforcement and intelligence/security services throughout designated foreign countries thereby providing the means by which FBI responsibilities in the field can be met. The Legal Attache program provides for the prompt and continuous exchange of information and assistance to foreign law enforcement and other agencies. By way of reciprocation, the FBI assists cooperative foreign agencies with their legitimate and lawful interests in the United States.

<u>Accomplishments and Workload:</u>	Civil Rights, Applicant and Other Investigations		Estimate	
	1986	1987	1988	1989
<u>Investigative Matters Received</u>				
Reimbursable Applicant (except DEA).....	10,573	15,708	32,200	32,200
Nonreimbursable Applicant (except FBI Applicant).....	26,805	26,379	30,400	37,800
Other Investigations.....	10,655	4,119	4,100	4,100
Civil Rights.....	6,272	6,142	6,200	6,200
Total Investigative Matters Received.....	54,305	52,348	72,900	80,300
<u>FBI Applicant Matters Receive</u>				
Support Applicants Tested.....	4,323	15,740	14,404	4,375
Special Agent Entrance Tests Received.....	8,301	9,848	9,464	16,500
Special Agent Language Tests Received.....	992	1,166	1,172	1,947
Special Agent Interviews Received.....	2,195	2,978	2,540	6,600



	1986	1987	Estimate	
			1988	1989
DEA Applications Received (Reimbursable).....	986	718	444	990
Specialty Support Applicants Processed.....	385	453	453	500
<b>Investigative Matters Completed</b>				
Reimbursable Applicant (except DEA).....	10,816	15,440	15,930	29,850
Nonreimbursable Applicant (except FBI Applicant).....	27,267	25,624	26,000	30,240
Other Investigations.....	10,572	3,806	4,100	4,100
Civil Rights.....	6,287	6,198	6,200	6,200
Total Investigative Matters Completed.....	54,942	51,068	52,230	70,390
<b>FBI Applicant Matters Handled</b>				
Support Applicant Tests.....	4,323	15,740	14,404	4,375
Specialty Applicant Cases Processed.....	385	453	453	500
Special Agent Entrance Tests Processed.....	8,301	9,848	9,464	16,500
Special Agent Language Tests Processed.....	992	1,166	972	1,947
Special Agent Accounting Tests Processed.....	810	759	640	1,267
Special Agent Interviews Processed.....	2,195	2,978	2,540	6,600
DEA Applicant Cases Processed (Reimbursable).....	986	718	444	990
Special Agents Hired.....	431	789	528	1,056
Support Employees Hired.....	2,000	1,628	1,772	1,750

NOTE: The number of requests for background investigations requested by other agencies (except DEA) has remained relatively constant over the past five years, averaging 3,940 requests annually. A dramatically increasing number of requests have been received since January 1, 1987. In the six-month period ending June 30, 1987, 3,351 requests for investigations were received. Six hundred of the increased investigation requests were anticipated. About 400 nonrecurring requests were for the staffs of the Congressional committees investigating the Iran-Contra matter and unexpected cases from the White House. As a result of the increased level of requests, cases pending beyond scheduled completion increased from 43 in January to 417 in June 1987, and the inventory of cases grew from 603 to 1,455. This increase has been almost totally within the nonreimbursed category of cases, and is attributed to increased sensitivity throughout government to security concerns, an apparent high level of personnel turnover at client agencies, and initiatives by those agencies to meet hiring plans. The requesting agencies are being asked to provide estimates of their request levels for future years to assist the FBI in programming resources for these investigations. Most have indicated that their levels of requests may continue to increase.

## General Crimes

Item	1986	1987	Estimate	
			1988	1989
Total Investigative Matters Pending From Previous Year.....	28,896	28,078	28,333	28,243
Origin Investigative Matters Received.....	31,892	30,481	31,188	31,595

Item	1986	1987	Estimate	
			1988	1989
Auxiliary Office Investigative Matters Received .....	41,952	39,063	40,508	40,740
Total Investigative Matters Received.....	73,844	69,544	71,695	72,335
Total Investigative Matters.....	102,740	97,622	100,029	100,578
Origin Investigative Matters Completed.....	32,297	30,483	31,150	31,658
Auxiliary Office Matters Completed.....	42,420	38,806	40,636	40,570
Total Investigative Matters Completed.....	74,717	69,289	71,786	72,228
Complaints Filed.....	3,647	3,687	3,701	3,721
Informations Filed.....	568	634	650	679
Indictments Returned.....	3,863	3,646	3,751	3,772
Subjects Arrested.....	3,540	3,423	3,481	3,500
Subjects Located.....	837	829	850	880
Recoveries (\$000).....	\$137,779	\$133,411	...	...
Potential Economic Losses Prevented (\$000).....	\$59,619	\$181,855	...	...
Undercover Operations -				
Group I.....	23	20	22	24
Group II.....	51	50	55	58
Informant Matters Pending.....	2,326	2,348	2,370	2,400
Federal Convictions and Pretrial Diversions.....	4,208	4,276	4,301	4,325
Fines Levied in Federal Courts (\$000).....	\$6,622	6,759	...	...
Local Convictions and Pretrial Diversions.....	1,015	1,204	1,250	1,257
Fines Levied in Local Courts (\$000).....	\$556	730	...	...

## Terrorism

<b>Workload Inputs</b>				
Terrorist Incidents.....	17	0*	0	0
Persons Killed.....	1	0*	0	0
Persons Injured.....	19	0*	0	0
Title III Requests.....	20	4	4	4
Initial.....	7	1	1	1
Renewal.....	13	3	3	3
<b>Workload Outputs</b>				
Arrests & Locates - Domestic Terrorism.....	113	133	138	140
Convictions - Domestic Terrorism.....	98	87	91	109
Terrorist Incidents Prevented.....	8	4*	4	4

\*Calendar year figures are actuals as of February 1, 1988.

Legal Attaches  
(Figures reflect total Legal Attaches, not only Legal Attaches/Terrorism)

Item	1986	1987	Estimate	
			1988	1989
Potential Economic Loss Prevented (\$000).....	\$1,003,259	\$5,004,000	\$2,000,000	\$2,000,000
Investigative Matters Received.....	7,941	8,406	9,247	10,088
Investigative Matters Concluded.....	5,710	6,050	6,655	7,260
Pending Matters.....	2,231	2,356	2,592	2,828
Agencies/Contacts.....	230/NA	192/646	212/711	232/776

NOTE: Increases within Legal Attache workload are in response to the projected opening of offices in Brasilia, Singapore, Manila, Madrid, Vienna, Tel Aviv, New Delhi, Brussels, Barbados, and the establishment of liaison offices in Miami and San Juan as well as augmentation of personnel and other resources in existing offices. It is estimated that the commitment of resources would provide for an increase in and more frequent liaison contacts as well as an increase in investigative matters handled. This increase is estimated at 30 percent.

There were 718 DEA background investigations conducted in 1987. The Special Agent and Support Applicant Unit has the responsibility for background investigations for Special Agents, Diversion Investigators, Intelligence Research Specialists, and Chemists for the DEA. The hiring decision is not made by the FBI in these matters and the mission is restricted to performance of the background investigations on a reimbursable basis for DEA.

During 1987, 3,388 background investigations were requested by other agencies (except DEA) under the nonreimbursable applicant program. Among these were 1,065 requests from the White House (248 Presidential appointments and 817 staff) and 120 requests for investigations on Presidential appointments to Federal judiciary, U. S. Attorney and U. S. Marshal positions. Many of these requests were of an expedite nature. In addition, 1,550 reimbursable investigations were requested by the Department of Energy, and 1,115 by components of the Department of Justice and the Administrative Office of the United States Courts.

On January 25, 1988, in Little Rock, Arkansas, the alleged victim of a racially motivated arson was sentenced to seven years in prison on charges of arson, conspiracy to commit arson, and mail fraud. The FBI had initiated an extensive civil rights investigation in September 1986, when the residence of the victim, a black United States Department of Agriculture (USDA) employee, was burned, allegedly because he had recently won a racial discrimination suit against the USDA.

The FBI launched an intensive civil rights investigation into the confrontation which occurred January 17, 1987, between black and white marchers in Forsyth County, Georgia and white spectators. The investigation, which included interviews of known white supremacists in the surrounding area, is believed to have contributed to the peaceful atmosphere of the marches during the following week and on January 16, 1988.

"Ten Most Wanted Fugitive," Claude Lafayette Dallas, Jr., who had claimed he would not be taken alive, was arrested without incident in Riverside, California, by FBI Agents on March 8, 1987. Dallas had escaped from the Idaho State Penitentiary in March 1986, where he was serving a 30 year sentence for the murder of two Idaho Department of Fish and Game Conservation Officers, shot in 1981 when they attempted to arrest him for game violations.

On July 4, 1987, four inmates, including two murderers, escaped from the New Mexico State Penitentiary. The subjects abducted a family and fled to California, where one of the subjects raped the mother and sexually assaulted the 11-year-old girl. All four subjects were subsequently arrested on July 30, 1987, as the result of intensive investigation by FBI agents.

On December 30, 1986, Gary Willard Hambricht, a teacher at the Child Development Center located on the Presidio Army Base in San Francisco, was charged by U.S. Army Criminal Investigative Division with sexually abusing a three-year-old boy. Due to procedural deficiencies, this indictment was dismissed. The FBI was requested to enter the investigation; thereafter, more than 60 children in Hambricht's class were interviewed. Physical examinations determined that two children had contracted chlamydia, a venereal disease, and two children had physical injuries consistent with sexual abuse. Hambricht was indicted on Federal charges and surrendered to Federal authorities in October, 1987.

A Memphis Field Office undercover operation, initiated in December, 1984, was a joint investigation with the Memphis Police Department to identify, actively infiltrate, and prosecute operators of commercialized auto theft and truck stripping operations, commonly known as "chop shops," as well as retagging operations in the Tennessee, Arkansas, and northern Mississippi areas. In addition, the operation attempted to identify and prosecute brokers and thieves who supply the "chop shops," as well as individuals who participated in insurance fraud schemes by arranging for the theft of their vehicles and thereafter filing false insurance claims. Accomplishments realized to date include 152 indictments, 143 arrests, 142 felony convictions, \$3,640,000 in recoveries (majority of which was automobiles), and \$58,000 in fines. Further prosecutions are expected.

Program Changes:

	<u>1989 Base</u>			<u>1989 Estimate</u>			<u>Increase/Decrease</u>		
	<u>Perm.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm.</u>	<u>WY</u>	<u>Amount</u>
Other Field Programs.....	8,923	8,712	\$553,519	9,347	8,925	\$602,776	424	213	\$49,257

Increases of 424 positions and \$49,257,000 are requested for Other Field Programs. The requested increases will enable the FBI to meet its mandated responsibilities and objectives in all critical areas. Detailed information regarding this program can be obtained from the " Special Analysis of Field Programs Exhibit. "

Non-Reimbursable Applicant Program

The FBI experienced an unexpected increase from a relatively stable average of 2,294 nonreimbursed requests for background investigations per year in the prior five years to 3,388 requests in 1987 -- about a 48 percent increase. About 400 of the

requests were for update investigations for Presidential appointees and the White House staff and for background investigations of the staffs of the Congressional committees investigating the Iran-Contra matter. These requests are considered nonrecurring. When these nonrecurring cases are deducted, there was still a 28 percent increase in requests over the 2,327 requests received in 1986. Investigative requests in the first three months of 1988 are exceeding the same period of 1987 by about 35 percent. The FBI has conservatively estimated the 1988 investigative request level at 3,300 cases, which is only a 10 percent increase over the recurring request level of 1987. The FBI estimates that 4,200 requests for investigation will be received in 1989 -- a general increase of 10 percent over 1988, plus 600 investigations in 1989 associated with the Presidential transition.

While timeliness standards have been generally met in Presidential appointment (PA) cases, the increase in investigations received in 1987 caused erosion of efforts to improve the timeliness of investigations of White House, National Security Council, and certain Congressional committee staff members and of those conducted for Assistant United States' Attorneys, Department of Justice positions and other non-PA matters. Additional resources are required to address the increase in investigative requests and to prevent further deterioration of completion-time standards so that employing entities can promptly fill these often sensitive and critical staff positions. In addition, workload data in this element shows there has been an increase in field investigative matters received from 17,825 in 1982 to the estimated 37,800 in 1989. This reflects both the increased caseload and efforts to expand the scope and improve the thoroughness of these investigations. There have been no significant increases in funded field positions for this additional workload.

#### Reimbursable Applicant Program

Twenty reimbursable field Agent positions were transferred from the Office of Personnel Management (OPM) in 1987 to the FBI to conduct approximately 600 BIs each year on the nonprofessional staffs of the USAs' Offices. OPM had previously conducted these investigations. No support positions were transferred.

The Atomic Energy Act, as amended, requires the FBI to conduct background investigations on applicants and employees of the Department of Energy (DOE) and the Nuclear Regulatory Commission (NRC) who are being considered for "Q-sensitive" clearances. By letter dated September 22, 1986, the Department of Energy advised that it expected to increase its usual level of investigative requests from about 1,500 per year to 3,900. Complete and comprehensive initial and periodic reinvestigations of these personnel are absolutely necessary to ensure that national security directives and concerns are met.

The Supervisory Special Agents who supervise these cases are presently unable to complete all tasks assigned due to their program management, case direction responsibilities, and the supervision of the current support complement. The increase in both DOE and USAs' support staff caseload nearly doubles the workload, and the support staffing requested below would substantially increase the personnel supervision needs.

DOE has requested an average of 1,481 investigations per year over the past five years. About 14.5 FBIHQ support positions have been used for these investigations. Using only caseload ratios, a 163.3 percent increase in DOE case load would indicate that 38 total positions (an increase of 23.5 positions) would be needed to handle the expected increase in cases. However, caseload ratios do not fully account for variations in the amount of work and supervision required in different kinds of cases. Most of

the expected increase in DOE matters pertains to updating reinvestigations. Due to the fact DOE is apparently several years behind in its update program, the investigative time span of these cases may substantially exceed the usual five-year span normally covered by these investigations. To develop the most accurate forecast of resource needs, similar update investigations were reviewed and it was determined that an increased complement of reimbursable support positions is needed to direct these investigations.

#### Terrorism Legal Attaches

In recent years with new extradition, mutual assistance, prisoner exchange treaties, and new legislation in the area of terrorism, the Legal Attache's role has become increasingly important. The Legal Attache Program is directly responsible for worldwide investigative initiatives against terrorists, including the arrest and extradition of fugitives to stand trial for their crimes. Eight agent positions and four support positions are requested in support of the Terrorism subprogram. This request includes one agent and one support each for Manila, the Philippines; Madrid, Spain; Vienna, Austria; Tel-Aviv, Israel and one agent each for New Delhi, India; Brussels, Belgium; Bonn, Germany; and London, England. A non-personnel increase of \$634,000 is also requested for operational expenses in the following Legal Attache posts: Manila, the Philippines; Madrid, Spain; Vienna, Austria; Tel-Aviv, Israel; and New Delhi, India.

#### Terrorism-Legal Attaches Personnel Request

Office	Agent Positions	Support Positions	Total
Manila	1	1	2
Madrid	1	1	2
Vienna	1	1	2
Tel-Aviv	1	1	2
New Delhi	1	...	1
Brussels	1	...	1
Bonn	1	...	1
London	1	...	1
Total	8	4	12

The Philippines is presently covered by Legat, Hong Kong which is staffed by one agent and one support employee and is responsible for a territory consisting of Hong Kong, Pakistan, Indonesia, Malaysia, the Philippines, Singapore and Thailand. Thirty-one percent of Legat, Hong Kong's caseload involves the Philippines. The establishment of a Legal office in Manila would allow for the development of an FBI related caseload as well as to provide for expanding liaison contacts, providing for a more timely exchange of information.

The Legat office in Madrid, Spain would cover a territory consisting of Spain, Portugal, and North and West Africa. Legat, Paris has handled an average of 37 cases monthly in Algeria, Andorra, Baleric Islands, Gibraltar, Liberia, Morocco, Portugal, Sierra Leone and Spain, with 79 percent of these matters being addressed in Spain and Portugal. The region is described as a staging area for terrorist activities in Europe, Central America and the Middle East. The Euckadi Ta Afkatasuna (Basque Fatherland and Liberty Movement), a terrorist group dating back to 1968, has historically targeted civil guards, policemen and military officers.

At present, Austria, Lichtenstein and Switzerland are covered by Legat, Bern. Bern is staffed by two agents and two support employees and maintains an average caseload of 152 investigative matters, 32 percent of which involve Austria. The assignment of additional personnel in Vienna would allow for enhancing liaison contacts, development of an FBI related caseload and a reduction in travel time expended by the Legat covering Austria on a road trip basis. Hostile intelligence agencies operate freely in Austria, which serves as a staging area for terrorist activity in Europe.

Additional personnel in Tel-Aviv would handle a territory consisting of Israel, Turkey, Crete, Cyprus, Egypt, South and East Africa. Legat, Tel-Aviv would serve to establish liaison with intelligence services in Jordan, Egypt, Saudi Arabia, Bahrain, Qatar, United Arab Emirates and Oman. Terrorist organizations impacted upon would include the Amal, Hizbollah, Abu Nidal Organizations, Al Fatah, Popular Front for the Liberation of Palestine (PFLP), and the Democratic Front for the Liberation of Palestine (DFLP).

The United States is host to approximately 200,000 Sikhs; extremist Sikhs have allegedly been responsible for terrorist activity including threat and extortion letters, murders, kidnapping, and assassination plots. At present, there are approximately 35 investigations pending of Sikh terrorism, and the establishment at a Legat Office in New Delhi would permit greater coverage of that threat.

An office in Brussels would enable coverage of a territory consisting of Belgium, Luxembourg (presently covered by Legat Paris) and the Netherlands (presently covered by Legat Bonn). The establishment of an office in Brussels would serve to reduce travel demands placed on Legats who presently cover the Benelux countries on a road trip basis.

One Assistant Legal Attache is requested for assignment to Bonn, Germany, (for specific assignment to West Berlin) which is currently staffed by four agents and four support employees serving a territory of Germany and the Netherlands. This Legal Attache post has experienced an increase in agent time devoted to special terrorism cases such as the "Labelle Disco Bombing" and the hijacking of the cruise ship "Achille Lauro." In addition, the United States Government has decided that most U.S. hostages from the Middle East and Europe would be returned to the U.S. medical facilities in Wiesbaden, Federal Republic of Germany, for treatment and subsequent debriefing. Legat Bonn has been tasked to help coordinate and support hostage reception and terrorist activities. Legat, Bonn must maintain a state of readiness as well as commit resources to operational demands.

The Legat in London, which is currently staffed by four agents and four support personnel and assigned a territory consisting of Denmark, Finland, Iceland, Norway, Republic of Ireland and the United Kingdom, has experienced an increase in terrorism investigative/liaison activities. The requested position would permit Legat, London the flexibility to adequately respond to increased tasking associated with current and forecasted terrorism program demands, permit the initiation of new contacts as well as to cement existing liaison contacts.

	<u>1988 As Enacted</u>			<u>1989 Base</u>			<u>1989 Estimate</u>			<u>Increase/Decrease</u>		
	<u>Perm. Pos.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm. Pos.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm. Pos.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm. Pos.</u>	<u>WY</u>	<u>Amount</u>
Organized Crime .....	1,675	1,608	\$90,620	1,675	1,608	\$92,713	1,739	1,640	\$94,274	64	32	\$1,561

Long-Range Goal: To eliminate the La Cosa Nostra (LCN) and other organized criminal groups as significant threats to American society through sustained, coordinated investigations that support successful prosecutive action.

To effect, maintain and enhance liaison with friendly foreign police and intelligence agencies in support of FBI Headquarters and field offices in their management of the FBI's responsibilities.

Major Objectives:

To penetrate the hierarchy of the LCN by identifying the leadership and membership of these groups in an effort to determine their complicity in criminal activity as well as determine the extent of interrelationships among the LCN families and thereby develop successful prosecutions for specific violations of Federal Statutes, including the Racketeer Influenced and Corrupt Organizations (RICO) and the Continuing Criminal Enterprise (CCE) statutes.

To further determine the extent of influence and control the LCN has established within the legitimate labor union community in the United States; continue to pursue investigation against the LCN through an aggressive and successful Labor Racketeering Program within the FBI that will eliminate this control and have a lasting and positive impact upon the nation's economy.

To continue the enhancement and installation of the Organized Crime Information System (OCIS) in field locations which will enable the FBI to collate the vast quantity of information concerning organized criminal activity so that complex associations between members of organized criminal groups may be identified.

To utilize the civil provisions of the RICO statute in order to rid the labor movement of the debilitating influence of the LCN while simultaneously removing a major financial and political resource of the LCN.

To develop and maintain a national intelligence base which will consist of quality, high level informants to penetrate the organizational structure and operations of organized crime groups; cooperating witnesses to provide first hand testimony as to the day-to-day operations of these illegal organizations and sponsor their subsequent entry into the Witness Security Program if necessary; and liaison efforts with other Federal, state, local, and foreign law enforcement agencies.

To provide overall coordination and management oversight of efforts relating to the use of sophisticated and sensitive investigative techniques including court approved Title-III intercepts, consensual monitorings, undercover operations, aircraft surveillances, physical surveillances, and to perform a wide variety of administrative and investigative support functions.



To improve through active participation the level of cooperation between foreign agencies and the FBI on matters relating to Organized Crime responsibilities.

To expand existing liaison internationally as necessary to support the increasing investigative responsibilities of the FBI.

Base Program Description: The primary focus of this decision unit is the illegal activities of the LCN. The LCN, as well as other organized criminal groups such as the emerging Asian Organized Crime groups in the U.S., affect the social, financial, and political framework of American society by directing and/or becoming involved in labor racketeering, corruption of public officials, illegal infiltration of legitimate business, loansharking, illegal gambling, and gangland slayings. There are few businesses or industrial sectors in American society that are not affected by organized crime groups.

Recent investigations focusing on the criminal activities of the 25 LCN families have developed intelligence information which reinforces previous information that indicated many of the unions within the United States are being influenced or directed in an illegal manner by the LCN. The evidence presented in these cases has demonstrated that the LCN's influence in labor unions allows for the disruption of the competitive free market in various industries such as concrete, construction, trucking, and the air freight industry.

The recent successes against the LCN can be attributed to the evolution of the Enterprise Theory of Investigation. This approach requires that separate investigations conducted against individual members of a specific group or family be combined for prosecution, using both the civil and criminal provisions of RICO. Under this approach, the group or family is named as the enterprise. Convictions on this basis result not only in significant periods of incarceration, but provide for the seizure of assets accumulated by the enterprise through its illegal activity, and can prohibit members of the enterprise from associating with corrupted labor unions, infiltrated businesses, compromised institutions, or even with other members.

Organized crime investigations require numerous techniques which have proved to be resource intensive and extend over lengthy periods of time, as can be seen in the accomplishments. In order to penetrate the close knit, secretive organizations, such as the LCN, the FBI employs a variety of sophisticated investigative techniques, such as, court ordered electronic intercepts, long-term undercover operations; extensive physical surveillance, including the use of aircraft; high echelon, quality informant coverage; and cooperating witnesses. In addition, the FBI's Organized Crime Program complements its investigative efforts and maximizes its investigative resources by providing FBIHQ and field locations with computer based capabilities via OCIS. OCIS personnel assist in the collection, collation, analysis, and dissemination of investigative information relative to organized crime matters. Within OCIS, particular emphasis is placed upon link analysis of relationships which exist between or among organized crime groups and/or between corrupt organizations and union officials or business leaders or public officials.

Within this decision unit is the Investigative Support Program, which provides witness security protection, aircraft support, coordination of undercover operations, Special Operations Groups/Off Premise Sites (SOG/OFS), as well as a myriad of administrative activities that support all FBI investigative decision units. Aircraft surveillance enables discreet contact with a moving target even though the target is using evasive maneuvers to elude surveillance and allows for accompanying ground units to be clear of the target, where ground units might be unable to get close enough to observe the target without detection. The

undercover technique has opened avenues of investigative pursuit not available in the context of the traditional investigative process. Undercover agents have the ability, in certain situations, to penetrate the highest levels of criminal activity. The undercover technique also allows for more effective and safer use of sources and informants, in that the information obtained from the undercover operative may preclude the necessity for sources/informants to testify in court. SOG/OPS are used to support the integrated functions of surveillance, tactical mobility, undercover operations, sensitive and complex Title III electronic surveillance installations, and the tracking of extremely sensitive and surveillance-conscious subjects.

The FBI Legal Attache's mission is to establish and maintain close personal liaison with all principal law enforcement and intelligence/security services throughout designated foreign countries thereby providing the means by which FBI responsibilities in organized crime are met efficiently, effectively, and expeditiously. The Legal Attache program provides for the prompt and continuous exchange of information and assistance to foreign law enforcement and other agencies. By way of reciprocity, the FBI assists cooperative foreign agencies with their legitimate and lawful interests in the United States.

**Accomplishments and Workload:** The statistical accomplishments and estimates for the Organized Crime Program are presented in the following table:

<u>Item</u>	<u>1986</u>	<u>1987</u>	<u>Estimate</u>	
			<u>1988</u>	<u>1989</u>
Field Investigative Matters Handled .....	5,751	5,499	5,740	5,991
Title IIIs Initiated .....	58	34	46	56
Organized Crime Informants Matters .....	2,849	2,697	2,816	2,940
Informations and Indictments .....	913	760	817	877
Convictions/Pre-trial Diversions.....	612	679	729	782
OCIS:				
Offices Requiring OCIS Personnel.....	41	52	56	56
Pending Cases:				
With Data Entered Into OCIS.....	2,168	2,207	2,304	2,316
No Data Entered Into OCIS.....	3,583	3,292	3,436	3,675
Title III Records (*):				
Entered Into OCIS.....	19,347	4,773	6,000	6,426
Not Entered Into OCIS (Estimated).....	107,700	69,687	94,740	94,924
Backlog of Data Entry in Days.....	14,244	15,435	16,732	18,137
Equivalent Number of Workyears Needed to Reduce Backlog (beyond 117 funded).....	55	59	64	70

\*OCIS data concerning Title III records includes both the Organized Crime and Drug Programs.

Item	1986	1987	Estimate	
			1988	1989
Legal Attaches (figures reflect total Legal Attaches, not only OC)				
Investigative Matters Received.....	7,941	8,406	9,247	10,088
Investigative Matters Concluded.....	5,710	6,050	6,655	7,260
Pending Matters.....	2,231	2,356	2,592	2,828
Agencies/Contacts.....	230/NA	192/646	212/711	232/776

Increases within Legal Attache workload are in response to the projected opening of offices in Brasilia, Singapore, Manila, Madrid, Vienna, Tel Aviv, New Delhi, Brussels, Barbados, and the establishment of liaison offices in Miami and San Juan as well as the augmentation of personnel and other resources in existing offices. It is estimated that the commitment of resources would provide for an increased and more frequent liaison contacts as well as an increase in investigative matters handled. This increase is estimated at 30 percent.

#### Organized Crime Investigations:

During 1987, organized crime investigations resulted in the conviction of a number of LCN organized crime members and their associates; non-LCN organized crime members and their associates; union members; and public officials. The convictions included 66 for corruption violations, 191 for illegal gambling violations, 58 for loansharking violations, 64 for labor racketeering violations, 12 for involvement in gangland slaying matters, 15 which are related to the area of infiltration of legitimate business by organized crime elements, and 143 for other violations. In addition, \$6,449,753 in fines, \$395,827 in recoveries, \$2,335,104 in restitutions, and \$9,315,352 in Savings From Potential Economic Loss Prevented were realized as a result of investigative efforts expended in the Organized Crime Program during 1987.

During 1987, the FBI investigated the illegal activities of numerous LCN families. As a result of these investigations, six "bosses", six "underbosses", one consigliere, 12 "capodecinas" (capo), 16 "soldiers", and 136 associates of organized crime family members were convicted for various Federal violations. Investigations involving public corruption have resulted in the convictions of one Federal, 11 state, and 38 local elected or appointed public officials. As a result of Labor Racketeering investigations one administrator, one president, one fiduciary president, and one shop steward were convicted for illegal activities.

In June 1986, through the use of Title IIIs and cooperating witnesses, the boss of the Colombo LCN Family, the underboss, three soldiers, and four associates were charged with RICO, RICO conspiracy, extortion, bribery of public officials, and dealing in drugs. Utilizing the factual presentation from the Colombo Family hierarchy criminal prosecution, a civil complaint was filed June 1986, charging 31 defendants with controlling a labor organization through a pattern of racketeering activities. In March 1987, the Court provided injunctive relief to Laborers International Union of North America Local 6A, and District Council of Cement and Concrete Workers. In April 1987, the relief was amended to enjoin the Colombo LCN members and associates from associating with one another and/or the Unions.

As of September 1987, an investigation has used an undercover operation, consensual monitorings, and physical surveillances to document the corruption of sheriffs, judges, and other public officials in five counties of eastern Tennessee. Fifty individuals were arrested and convicted, including three judges, two sheriffs, and one former sheriff. In excess of \$2,210,000 and truckloads of stolen goods were recovered. The officials were involved in gambling and also received payoffs in return for favorable judicial actions.

As of December 1987, a major ongoing investigation of corruption of public officials in Puerto Rico has resulted in 116 convictions, 134 indictments, 128 arrests, 10 informations, seven complaints, and fines of \$454,000. Also recoveries of \$113,553, forfeiture of two automobiles, and restitution of \$1,759,600 were made. This investigation utilized numerous sophisticated investigative techniques: four telephonic Title IIIs for a period of nine months, numerous physical surveillances, several informants, over 200 consensual monitorings, aircraft surveillances, and a court-authorized microphone installed in an automobile. Over 32 cooperating witnesses were developed. This case has had a tremendous impact on the social and political structure in Puerto Rico due to prosecution of high-ranking law enforcement officials and a hijacking ring that operated within Puerto Rico.

A joint organized crime task force consisting of the FBI, Internal Revenue Service, and New York State and County Police Departments and prosecutors was formed to investigate the organized crime infiltration of the gasoline industry. This investigation exposed a scheme being utilized by various organized crime groups to defraud state governments and the Federal Government of millions of dollars through the evasion of excise taxes. To date, there have been 11 Federal and state convictions, including a Colombo LCN member. Twelve additional indictments were returned, and 25 additional indictments are anticipated. New York State Department of Taxation estimated the disruption of this criminal enterprise would increase excise tax revenue by \$200 million.

An investigation directed at the LCN control of the \$250,000,000 a year moving and storage industry in the New York area exposed a 20-year criminal conspiracy in which the LCN controlled this industry through its influence over officials in the International Brotherhood of Teamsters. In October 1986, guilty verdicts were returned in a RICO prosecution in the Eastern District of New York against 10 defendants including the boss, underboss and acting boss of the Bonanno LCN Family and the President, Secretary Treasurer, and Business Agent of a Teamster Local. A Civil RICO complaint was filed in August 1987, against the Bonanno Family and its influence over Local 814.

#### Organized Crime Information System:

In order to illustrate the value of OCIS to investigative efforts in the Organized Crime Program, a number of examples in which the system was effectively employed are set forth below. The examples cited appreciably reduced the agent workyear commitment usually devoted to manual retrieval. In each instance, retrieval of data and subsequent analysis of the information acquired through use of the system were accomplished by OCIS analysts.

OCIS verified source information following an inquiry which involved paramilitary transportation of weapons and drugs from Colombia to Canada and then to the United States. This resulted in a positive match and previously unknown links to a sensitive investigation on the East Coast.

Following informant information regarding an air freight company, OCIS was searched regarding names provided in articles of incorporation. A link analysis chart was constructed by an OCIS analyst which supported independent information from the Department of Labor, involving an investigation of a former top level Teamster official who is an LCN associate.

An agent was advised by an OCIS analyst that based on data in OCIS the possibility existed of using an individual as an informant against the subject of an LCN investigation. Subsequently, an individual was identified, through an alias, as being involved with LCN figures in large-scale thefts.

During the course of a Title III, the intercepted parties discussed phone numbers from another city. Conversations with one individual known only by a first name were intercepted, and negotiations of drug purchases were discussed. Subscriber information provided a possible last name for this individual. A check of OCIS disclosed a subject with an address in that other city. This individual was identified as a federal fugitive with suspected Sicilian Mafia ties. The subject was subsequently located and apprehended.

A link analysis was conducted regarding a pizza franchise and the Sicilian Mafia. This analysis was based on information that a Sicilian was operating one of these restaurants in a midwest city and was allegedly paying tribute to the LCN family in that city. Analysis determined that there are 25 of these chain restaurants on the East Coast. Most have the same owners, who have links to a company with alleged organized crime ties including the Sicilian Mafia.

Aircraft Operations:

In addition to normal field office operations, numerous FBI special investigations were supported throughout the country. These include five major specials where pilots and aircraft were furnished on a temporary basis to field offices. Major temporary assignments required fifty-two pilots for 15-day assignments, three pilots for 21-day assignments, and six pilots for 30-day assignments, for a total of 1,324 days, not including travel time.

During 1986, the aircraft equipped with a Forward Looking Infrared (FLIR) platform, assigned to FBI Aircraft Operations, participated in approximately 40 major investigations across the United States requiring night surveillance. In two instances, surveillance by the FLIR aircraft led to arrests of subjects and recovery of ransom in kidnaping cases. Two major surveillances conducted with this system assisted in the location and arrests of numerous subjects involved in terrorist activities. The system was utilized to cover drug exchanges and to protect the safety of undercover agents. A top ten fugitive arrest was facilitated by night surveillance conducted by the FLIR system.

Program Changes:	1989 Base			1989 Estimate			Increase/Decrease		
	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount
Organized Crime .....	1,675	1,608	\$92,713	1,739	1,640	\$94,274	64	32	\$1,561

**Program Decrease:** A decrease of \$3,029,000 is requested for the Organized Crime program reflecting savings the FBI believes are achievable through careful monitoring of program expenditures. These savings will be in such areas as equipment, maintenance contracts, or other nonpersonnel funding. Making these adjustments will enable the FBI to implement the program enhancements described in this section while simultaneously reducing the overall requirement for additional resources.

**Program Increase:** An increase of 64 positions (32 workyears) and \$3,067,000 in nonpersonnel funding is requested for the Organized Crime Program. These positions include six agents and four support in support of Legal Attache offices; 28 general support to monitor and/or transcribe Title III intercepts and consensual monitorings; seven intelligence research specialists to provide analysis on organized criminal activity; four investigative assistants to support the FBI's FLIR operations; and fifteen non-agent pilots to provide aerial surveillance assistance. The ongoing problem confronting the FBI is the growing need for general support employees to support the agents in the field offices. The general and special support workyears would greatly facilitate investigative efforts and contribute measurably to the overall efficient use of allocated agent resources.

General Support (Title III)

The Electronic Communications Privacy Act of 1986 permits non-agent Government personnel (support personnel) or contract employees to monitor ongoing electronic surveillance under the direction of law enforcement personnel. Based on an anticipated 56 Title IIIs in the Organized Crime Program and in order to make effective use of the provisions of this new law, 28 general support positions will be required to monitor, review/prepare transcripts, analyze and collate relationships, disseminate and coordinate intelligence data with respect to the Title III's in national priority LCN and labor cases. These employees would enable agent resources to be available to handle the more complex phases of the investigation, thus providing the FBI a cost effective position.

Intelligence Research Specialists

Seven Intelligence Research Specialists (IRS) positions would provide the FBI with specialized employees who will possess a thorough knowledge of the FBI's Organized Crime Program, to include the activities of the LCN, and other organized crime groups. Through a review of information contained not only in the FBI files and automated systems, but through liaison efforts with other agencies, these special support positions would provide management with trend analyses, forecasts, and predictions necessary to plot the overall investigative course of action to meet the changing demands on the limited resources of the FBI.

#### Investigative Specialists (Aviation)

The Investigative Specialists support the Night Stalker aircraft as operators of the in-flight FLIR equipment. These investigative specialists are required to provide two full-time crews to give a 24 hour-a-day seven day-a-week capability. The specialists conduct complex physical surveillance through visual contact by operation of sensor tracking equipment in aircraft under a wide variety of physical and/or environmental conditions, during hours of darkness.

#### Non-agent Pilots

Future demands for aircraft support will require the participation of 400 pilots, 300 part-time and 100 full-time, to include 220 Pilots-In-Command (PIC). All pilot functions are currently performed by agent personnel. Expansion of the aircraft support services will drain additional agent personnel from their more traditional investigative roles; therefore, non-agent pilot specialist positions are proposed.

To meet the anticipated demand for aerial support, the FBI is requesting a total of 15 non-agent pilots in Organized Crime. The use of non-agent pilots could reduce future operating costs.

The advantages of non-agent pilots include: reducing recruitment difficulties by eliminating the 35 year age limit and other unique agent qualifications; eliminating the cost of new agent training, reducing personnel compensation costs (journeyman non-agent pilots would be GS-12s); and creating a cadre of professional pilots not subject to routine transfers.

#### Special Operations Groups/Off Premise Sites (SOG/OPS)

With the increasing complexity of FBI cases, traditional methods of information gathering are not adequate to meet the current challenge. Complex organized crime, terrorism, and foreign counterintelligence cases frequently involve a greater number of, and a more sophisticated type of, subject than other violations. These cases are often lengthy and generally involve difficult-to-detect conspiratorial activity.

SOGs offer an extension of investigative techniques by applying sophisticated methods which enhance traditional capabilities. They provide a dimension to investigative operations which is unique and cannot be duplicated by other means. In many instances, the SOG develops information so significant it alters the focus of the investigation. While the SOG concept has proven to be an extremely efficient, cost-effective way of conducting investigations relating to many areas within the FBI's mandate, they have been primarily utilized to work on organized crime, terrorism and drug investigations.

A SOG capability is needed at varying levels of frequency in every FBI field office in order to properly carry out investigative responsibilities. Historically, it has been necessary to deploy SOG teams to non-SOG offices on an average of thirty times a year in order for them to conduct sensitive surveillances. While this course of action has enabled the FBI to address its most pressing needs for SOG support, it has also resulted in significant operational costs. Through the creation of additional SOG components, it would be possible to increase operational effectiveness while also increasing the efficiency and cost-effectiveness of the use of SOG resources.

The availability of a properly trained and equipped SOG team to conduct an effective surveillance cannot be over-emphasized. Without this capability, counter-surveillance and subject awareness could quickly neutralize FBI surveillances and ultimately the cases themselves. In the areas of organized crime, drugs and terrorism, it will be far more difficult if not impossible, without an SOG, to obtain probable cause for Title III authorization, to install Title III devices and to verify and document Title III-derived information. An office without an SOG lacks one of the most effective investigative tools that can be applied to the FBI's priority investigations.

The figures for the SOG/OPS budget was derived by analysis and review of funding requests for these items received from the various field offices effected. These costs include fixed lease expenses, utility costs, vehicle maintenance and fuel, and miscellaneous expenses involved in operating a covert SOG and/or OPS. The requested funding is for continued operation of existent SOGs/OPS and for the establishment of new SOG/OPS which field offices have requested and FBI Headquarters considers essential. Many years of SOG/OPS experience has provided a data base for evaluating the necessity and reasonableness of the funding requests. Each field office funding request is analyzed in detail, prior to being incorporated into the total SOG budget.

At the current base level of funding, no additional SOGs or OPSs can be initiated in 1989, despite the fact that certain offices have documented the need to establish full-time SOGs. The base level of funding would allow only for the operation of existing SOGs as presently constituted and would prohibit the needed expansion of these teams.

The requested increase in 1989 of \$880,000 is needed to establish five additional SOGs and ten additional OPSs above the 1988 level and to allow for the expansion of some existing SOGs to meet documented investigative needs. While every FBI field office needs an SOG capability at times, certain offices, which do not currently have a full-time SOG, have documented the need to establish a full-time SOG squad. Offices such as Buffalo and Honolulu, which have significant organized crime problems, have justified a full-time SOG. Without the requested increase, no new SOGs could be established, and it would be necessary to continue to deploy existing SOGs to these field offices. This would seriously erode the abilities of the field offices from which the SOGs are sent to support their work in their own field offices.

#### Confidential Case Funds

This funding request is based on several factors: first, the number of pen registers and Title IIIs used by the FBI in criminal cases has increased significantly; and second, the cost of leased lines has increased dramatically since the breakup of American Telephone & Telegraph (AT & T). Electronic surveillance techniques are frequently necessary to identify members of distribution networks, trace funds and identify assets for forfeiture. Electronic surveillance continues to be a critical investigative technique in other programs as well. In addition to an increase in the number of telephone lines leased, these lines must be leased for increasingly longer periods of time due to the complex and international aspects of these investigations.

The FBI must pay tariff rates on each of these telephone lines. In some field offices, after divestiture, the telephone companies have also billed the FBI for the services required of their Security Departments. Prior to the breakup of AT&T, leased line rates were subsidized by long distance rates and were a minimal expense. Now, the actual costs of local services are billed, causing a dramatic increase in rates, a trend which is expected to continue through 1989. As an example of the escalating costs



which have been experienced by the FBI, the New York Field Office expenditures alone grew from \$287,000 in 1985 to approximately \$765,000 in 1986. For 1987, expenditures of over \$1,000,000 are expected. Although these New York expenses are large, the successes against organized crime figures have proven the value of the expenditure.

#### Aircraft Maintenance

During 1987, FBI aircraft flew an estimated 39,000 hours at a total cost of approximately \$5,932,000. In 1986, aircraft flight hours were 37,117. Flight hours for FBI aircraft have increased over 129 percent since 1979, when 17,000 flight hours were flown in support of FBI investigative activities.

This increase in maintenance funds would cover most of the cost involved in the maintenance of 61 single engine surveillance aircraft, eight light twin engine aircraft, three turboprop aircraft, one turbojet aircraft, and two turbine powered helicopters.

TYPE	NUMBER OF AIRCRAFT	ESTIMATED ANNUAL COST PER AIRCRAFT	TOTAL COST
Single Engine	53	\$12,600	\$667,800
Light Twin	8	\$30,000	\$240,000
Turboprop	2	\$173,325	\$346,650
Turbojet	1	\$145,500	\$145,500
Helicopter	3	\$ 50,000	\$150,000
Total	67		\$1,549,950

#### Organized Crime - Legal Attaches

In recent years with new extradition, mutual assistance, prisoner exchange treaties, and the FBI's active role in international investigations, the Legal Attache's role has become increasingly important. The Legal Attache Program is directly responsible for worldwide investigative initiatives against organized crime through participation in working groups which has resulted in the arrest and extradition of criminals to stand trial for their crimes. Six agent positions and four support positions are requested in support of the Organized Crime subprogram. This request includes one agent and one support each for Panama City, Panama; Barbados; Brasilia, Brazil; and Singapore and one agent each for San Juan, Puerto Rico and Canberra, Australia. A non-personnel increase of \$380,000 is also requested for payments to the State Department for rental space for new Legats in Barbados, Brasilia, and Singapore.

Organized Crime-Legal Attaches  
Personnel Request

Office	Agent Positions	Support Positions	Total
Panama City	1	1	2
Barbados	1	1	2
Brasilia	1	1	2
Singapore	1	1	2
San Juan	1	...	1
Canberra	1	...	1
Total	<u>6</u>	<u>4</u>	<u>10</u>

Legat, Panama City, Panama covers a territory consisting of Costa Rica, El Salvador, Guatemala, Belize, Honduras, Nicaragua, and Panama and is presently staffed by one agent and one support employee. Monthly administrative reports indicate that Legat Panama has received 159 investigative matters as of June 30, 1987. Panama City has had an average caseload of approximately 60 investigative matters since 1985. It is anticipated that Legat, Panama would be subject to an increased caseload in organized crime resulting from a United States - Panamanian bilateral agreement which will permit access to heretofore confidential banking information. This additional Attache will allow Panama City Legat Office to cover Peru, Bolivia, and Ecuador, now covered by Bogota, Colombia Legal Attache Office. The State Department and the American Ambassador to Colombia have requested that the Attaches now currently assigned to Bogota cover only Colombia. The FBI agrees that the Attaches now currently assigned to Bogota should cover Colombia alone and agrees with the State Department and the Ambassador's recommendation. The assignment of an Assistant Legal Attache would enhance the flexibility and responsiveness of the Legal Attache now limited by the assignment of one agent. One office assistant is requested to provide for the projected increased need for clerical and administrative assistance.

One agent and one support workyear is requested for a Legal Attache office at Bridgetown, Barbados which covers the Southeastern Caribbean Islands, Suriname, Guyana, French Guyana, and the Netherlands Antilles. FBI interests rest mainly in investigations which by their nature involve money laundering, offshore banking, and public corruption.

One agent workyear is requested to establish a Legat in San Juan, Puerto Rico in order to extend coverage into the Dominican Republic, Haiti, and Jamaica, and as in Barbados will address those investigations involving money laundering and offshore banking.

At present, Brazil is included in the investigative territory assigned to Montevideo, Uruguay which is staffed by two agents and two support employees. Montevideo, Uruguay also covers Argentina, Chile, Paraguay, and Uruguay. Legat reports that 40 percent of road-trip time is devoted to travel due to distances between Montevideo and countries presently covered. The establishment of a Legal Attache at Brasilia, Brazil would allow for the development of an FBI-related caseload through constant personal contacts with the Brazilian Federal Police, as well as to provide for the thorough and timely investigation of FBI requests in Brazil. Approximately 30 percent of all investigations conducted by Legat, Montevideo through June 30, 1987, were conducted in Brazil.

One agent and one support workyear are requested to establish a Legal Attache office in Singapore. The establishment of an office in Singapore would provide for a stable environment from which to provide more frequent representation in the lower portion of Southeast Asia (Indonesia, Malaysia, Singapore, and Thailand), related to FBI initiatives in Asian organized crime working groups.

At present, Canberra, Australia is staffed by one agent and two support employees and covers a territory consisting of Australia, New Zealand, and Papua, New Guinea. An additional agent is requested to cover the South Pacific Islands which would enhance the Legat's ability to further develop an FBI caseload as well as to provide for the timely and thorough investigation of FBI requests in the region. In 1987, Legat, Canberra, Australia, has averaged 136 pending investigative matters and has resolved on the average 20 matters per month.

	1988 As Enacted			1989 Base			1989 Estimate			Increase/Decrease		
	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount
Drugs.....	1,573	1,573	\$102,404	1,573	1,573	\$107,288	1,652	1,613	\$110,893	79	40	\$3,605

**Long Range Goal:** To reduce the incidence of illegal drug trafficking and other criminal activity which drug trafficking generates in American society through investigations conducted on a systematic, coordinated, and sustained basis.

**Major Objectives:** To conduct effective, coordinated investigations against major drug-trafficking organizations on a nationwide basis with the ultimate objective of neutralizing networks involved in the distribution of drugs and seizing their illegal profits through forfeiture proceedings.

To implement the FBI's National Drug Strategy (NDS) which focuses resources on drug-trafficking organizations operating at the national and international level.

To expand and enhance the intelligence base on domestic and international drug-trafficking organizations and their financial support structure.

To provide assistance to other Federal, state, and local law enforcement agencies relative to investigations of high-level drug-trafficking organizations operating in a local or regional area of the country.

**Base Program Description:** The FBI conducted a comprehensive review of the drug trafficking problem facing the United States, and in 1986 adopted a National Drug Strategy (NDS), which sets forth objectives for the FBI in drug law enforcement. Briefly stated, the FBI's goal is to more clearly focus investigative resources on those organized trafficking groups controlling significant

segments of the illegal drug importation and distribution markets. Investigations would be directed at the following drug-trafficking groups: La Cosa Nostra (LCN)/Sicilian Mafia; Colombian/South American; and Mexican organizations; national Outlaw Motorcycle Gangs; Oriental Organized Groups; and other major drug-trafficking organizations that are national in scope.

During 1987, approximately 65 percent of the FBI's drug investigative Agent resources were used in Columbian/South American, LCN/Sicilian Mafia, and Mexican subprograms, which have been identified by the FBI as posing the greatest drug-trafficking threat to the citizens of the United States. Accordingly, Agent resources will continue to be realigned in 1988, 1989, and 1990 to place them in field offices identified as major centers for these organizations that are involved in illegal drug importation and distribution. In 1986 and 1987, the FBI shifted approximately 20 percent of its Agent resources working drug matters to principal areas of the United States where these organizations are operating.

Sicilian Mafia drug trafficking activity has been associated traditionally with cities located in the northeastern United States. The FBI's intelligence base has determined that this organization has become more geographically diverse. The Sicilian Mafia is now active in drug trafficking in twenty-five cities throughout the United States. They are primarily responsible for importation of southwest Asian heroin. Based upon heroin and morphine trafficking indicators for 1986, the last year for which the National Narcotics Intelligence Consumer Committee (NNICC) published drug "signature" figures, southwest Asian heroin accounted for 40 percent of the heroin smuggled into the United States. Accompanying the drug-trafficking activities of these groups are other attendant crimes such as corruption, money laundering, and murder. The Sicilian Mafia in the United States is directly tied to the Mafia in Sicily and is highly factionalized. There are over 45 associated groups in Palermo, Sicily. Most of these factions are represented in the United States. Through investigation of the Sicilian Mafia, the FBI has uncovered an extensive conspiratorial relationship in the United States with other Italian drug-trafficking groups: the N'Drangeta and La Camorra. The FBI strives to fully identify these groups, their foreign and domestic contacts, and use this intelligence to support long-term personnel intensive investigations of these major drug enterprises. Personnel resources are necessary to counter the 111 Italian trafficking groups identified by FBI intelligence as operating in the United States. With existing personnel resources, the FBI is able to actively target 14 of these groups.

The Mexican drug-trafficking organizations are responsible for importation and distribution of brown and black tar heroin, cocaine, and marijuana. In addition to the production and importation of cocaine, the Mexican groups are transshipping to the United States increasing amounts of South American cocaine. The southwestern United States border area is long and vulnerable, compounding the drug-trafficking problem these groups pose. Their activities are concentrated in the southwest and western United States. The FBI has transferred additional agents to the southwestern United States in an attempt to address this problem. Of the 96 Mexican groups identified through FBI intelligence, the FBI has been unable to actively investigate more than 54 organizations. The threat which Mexican drug organizations pose is underscored by 1986 NNICC statistics showing that such groups account for 41 percent of all heroin smuggled into this country, topping the list of all heroin source nations. Trend analysis of trafficking indicators dating back to 1984 demonstrate a gradual, yet continuous increase in the availability of Mexican heroin in the United States and an increase in purity levels reaching as high as 90 percent. An intensive, aggressive investigative posture is unquestionably required to stem the drug flow and to counter effectively the groups responsible.

Cocaine has been identified as the primary drug problem facing the United States. Columbian/South American traffickers control the importation and distribution of this drug. The FBI's intelligence base has identified over 250 Columbian/South American drug-trafficking groups currently operating in the United States. These groups have expanded their operations from southern Florida throughout the southeastern seaboard and the Gulf States. The Miami field office has identified 150 of these groups. The FBI currently addresses 40 percent, or approximately 100, of these groups at any given time. Corruption, murder, money laundering, and other crimes accompany the drug-trafficking violations. In 1984, the wholesale price of one kilogram of cocaine ranged from \$40,000 to \$50,000. In 1987, one kilogram of cocaine could be purchased in Miami, Florida for \$15,000. This is despite record seizures of cocaine by law enforcement. As the price of cocaine decreased, use of the drug in this country has surged upward by 133 percent, according to NNICC data, from 1982 to 1985 to exceed a yearly consumption rate of more than 72 metric tons. There is no present indication of this trend abating.

The Oriental groups are rapidly emerging criminal organizations involved in drug trafficking and other related crimes. recent cases have established their activity in a number of major cities throughout the country. Expansion of the investigative effort and intelligence base is necessary to address these groups. Due to close knit traditions of Oriental groups, penetration and successful investigation of these drug trafficking networks are expected to require full use of Title III, undercover, and surveillance techniques. FBI intelligence, and that of other law enforcement agencies, shows an indisputable correlation between Oriental drug trafficking and increasing illegal immigration of Asian criminals. Such groups have significant share in trafficking in Southeast Asian heroin that represents 19 percent of the heroin market in the United States.

Outlaw motorcycle gangs are primarily involved in the prosecution and distribution of illegal metamphetamine. The four major groups, the Hell's Angels, Outlaws, Bandidos, and Pagans, are active throughout the United States. Motorcycle gang drug trafficking is a particularly major problem in the western United States. Evident throughout FBI investigations of these motorcycle gangs is the reality that members do not hesitate to employ extortion, assault, and murder to ensure their drug trafficking activity is not disrupted.

#### Accomplishments and Workload:

Actual and estimated accomplishments in Drug Program investigations from 1986 to 1989 are set forth below:

Item	1986	1987	Estimates	
			1988	1989
Investigative Matters Handled	12,283	11,882	12,000	12,000
Title IIIs Initiated and Extended	47	90	105	130
Informations and Indictments	3,527	3,415	3,415	3,415
Convictions/Pre-trial Diversions	2,795	2,967	2,900	2,900
Seizures subject to Forfeiture (\$000)	not avail	\$72,694	\$84,000	\$92,000

OCIS Item	1986	1987	Estimates	
			1988	1989
Pending Cases:				
With Some Data In OCIS	2,168	2,207	2,304	2,316
No Data Entered Into OCIS	3,583	3,292	3,436	3,675
Title-III Records (*):				
Entered Into OCIS	19,347	4,773	6,000	6,426
Not Entered Into OCIS (Est.)	107,700	69,687	94,740	94,924

\* - Includes Title III intercepts from the Organized Crime and Drug Programs.

The FBI recently concluded a three-year undercover operation (UCO) code named Cashweb/Expressway. This investigation involved nine FBI Field Offices and numerous other federal, state, and local law enforcement agencies. The highest levels of three Colombian cocaine trafficking/money-laundering organizations were penetrated. Approximately \$175 million was laundered by undercover FBI Agents and another \$300 million in cocaine proceeds were identified. Over 100 persons were indicted as a result of this investigation. As an example of the long-term drug investigations the FBI is pursuing, the case resulted in seizure of 2,100 pounds of cocaine; 22,000 pounds of marijuana; \$22.5 million in cash; 57 automobiles; and three residences. Additional funds totaling \$9 million have been identified in foreign accounts and are subject to seizure.

An investigation of the Barrera drug trafficking group revealed a major Colombian/South American cocaine conspiracy. This organization had been responsible for the importation into the Los Angeles area of large quantities of cocaine. There have been two arrests; 10 complaints; nine indictments; and nine convictions. To date, eight vehicles, three of which had been stolen; 460 pounds of cocaine; and \$1,759,000 in cash have been seized.

The Osvaldo Meneses case focused on the activities of a Colombian trafficking organization involved in smuggling large amounts of marijuana and cocaine into the south Florida area from Colombia. FBI intelligence pinpointed three vessels laden with 48,000 pounds of marijuana and 598 kilograms of cocaine. The drugs were seized and the seven-member crew of one of the vessels was later indicted on drug charges by a Federal grand jury in Miami.

An investigation code named Sandshark involved a drug smuggling and distribution network which has imported hundreds of kilograms of cocaine into the United States along the eastern seaboard. This group annually operates throughout the Caribbean, Central America, and South America to facilitate drug importation and resultant money laundering. Drug trafficking charges have been brought against 75 persons who have been involved with this organization, 41 of whom have been convicted of drug violations. Almost \$3 million in cash and other assets are pending forfeiture.

The Carlos Santiago case was a two-year Organized Crime Drug Enforcement Task Force investigation which evolved from an investigation of a close-knit group of Puerto Ricans, who were distributing multikilogram quantities of brown heroin in the midwest. The investigation later expanded to include the Mexican Herrera Organization in Chicago, Denver, El Paso, Indianapolis,

Miami, Los Angeles, and San Juan. Sufficient evidence was developed to indict over 100 subjects for various Title 21 violations. Civil forfeiture warrants for numerous automobiles and 47 businesses and residential properties have been executed. Numerous weapons, approximately \$400,000 in U. S. currency, large quantities of drugs, and gold jewelry (valued in excess of \$500,000) have been seized. To date, a total of 75 subjects have been convicted and sentenced in this case.

An investigation code named Southwind revealed a major Mexican drug trafficking conspiracy centered in Texas. The investigation uncovered an organization responsible for the importation and distribution in the U. S. of multiton loads of marijuana, as well as large amounts of cocaine. Using Title III electronic surveillance, the case resulted in the seizure of \$2.6 million and the arrest of the principal conspirator. Based on FBI intelligence, 109 pounds of cocaine were seized with a street value in excess of \$5 million.

A case code named Genus-Cattails, referred to in the press as the Pizza Connection, was an international investigation that focused on money laundering and heroin importation by traditional organized crime and Sicilian Mafia figures. The investigation entailed 47 Title III orders and 13 months of continuous physical surveillance. Initially, 38 individuals were arrested and 47 search warrants were executed. Trials lasted 17 months in New York resulting in 18 guilty verdicts.

The San Juan FBI Field Office indicted 39 individuals in 1987 and 23 individuals in 1988 for drug trafficking in one case which originated from LCN/Sicilian Mafia trafficking investigations in the continental United States. Through this case, and four other continental United States based cases, a pattern of drug trafficking by these groups has been exposed in Puerto Rico, Caribbean, and south Florida.

Program Changes:

	<u>1989 Base</u>			<u>1989 Estimate</u>			<u>Increase/Decrease</u>		
	<u>Perm. Pos.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm. Pos.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm. Pos.</u>	<u>WY</u>	<u>Amount</u>
Drugs.....	1,573	1,573	\$107,288	1,652	1,613	\$110,893	79	40	\$3,605

Organized Crime Information System (OCIS) Analysts

The 36 positions will enable OCIS to address the demands placed on it since 1982 when the FBI received concurrent jurisdiction in drug investigations. The OCIS staffing level has never been adjusted to fully address the additional

workload the FBI assumed with concurrent drug law enforcement jurisdiction. OCIS was designed initially to provide high speed and timely responses to intelligence queries in support of organized crime investigations. The FBI National Drug Strategy incorporates the development and enhancement of existent intelligence bases into the assault on drug trafficking. The additional positions will provide more FBI field offices with access to the information system vitally needed to investigate and prosecute the sophisticated drug trafficking organizations, relieve agent personnel of routine, less complex matters and will provide vital resources in order for the FBI to take advantage of the high speed, cost effective capabilities OCIS was designed to provide.

Within OCIS, emphasis has been placed upon link analysis of relationships which might exist between or among drug cartels. Information developed through traditional investigative efforts, physical surveillance and electronic surveillance is incorporated in OCIS. The speed, accuracy, and analytical capabilities of the system are subsequently used to cull the voluminous amounts of data that have been amassed during drug investigations.

During 1986, Organized Crime and Drugs initiated 105 Title III's but of these only 16 had results of the intercepts entered into OCIS. There are an average of 1,210 intercepts per Title III. Based on the average, the 89 Title III's not entered would have resulted in 107,700 intercepts. Therefore, agent personnel were not provided the analytical reports that OCIS personnel would have provided. At the present time, OCIS analysts spend approximately five percent of their time retrieving data and preparing projects and reports. To fully utilize the capabilities of OCIS personnel, the Criminal Investigative Division at FBI Headquarters has estimated that OCIS personnel should dedicate 25 to 30 percent of their time in preparation of these reports.

#### Intelligence Research Specialists (IRS)

The Headquarters IRS Program has made great strides since being instituted. Corresponding enhancements in field IRS positions are necessary in FBI field offices where major drug-trafficking organizations are present. Timely analysis and reporting of intelligence information is necessary for the field to effectively identify and investigate drug-trafficking organizations. Sophisticated drug-trafficking organizations, some closely resembling multinational corporations in their organizational structures, complex financial networks, political and commercial contacts, require intense examination. Through a review of intelligence, financial information and liaison with other agencies, the IRS program will provide management with trend analysis, forecasts, and predictions necessary to streamline the overall course of action, making best use of FBI resources.

#### Investigative Assistants (IAs)

IAs perform record checks in support of criminal investigative matters and receive complaints from the public which relieves agent personnel from the necessity of performing these functions. With an increased number of agents in field offices projected into 1989, and as a result of a survey of field offices to identify specific needs, there exists a need for an additional 15 IAs to support drug investigations.

IAs provide indispensable technical support to the FBI's investigative efforts by developing background information on subjects of investigations. IAs are assigned cases, usually resulting from leads sent from other field offices, which require IAs to perform the full range of fact-finding functions including planning, obtaining information, and reporting results. IAs establish and maintain effective liaison with representatives of various agencies in order to promote development of investigative information. IAs process complaints and prepare letters of declination to United States Attorneys when facts show that a matter clearly falls within the guidelines of the United States Attorney's declination policies. Additionally, IAs review vehicle registration records, and government agencies computerized and manual record keeping systems such as military records systems and Immigration and Naturalization Service record systems. The use of experienced and qualified IA personnel to perform these important functions permits agent investigative resources to be concentrated on the more demanding and complex aspects of FBI investigations.



Non-agent Pilots

Future demands for aircraft support will require the participation of 400 pilots, 300 part-time and 100 full-time, to include 220 Pilots-In-Command. All pilot functions are performed currently by agent personnel. Expansion of the aircraft support services will drain additional agent personnel from their more traditional investigative roles, therefore, non-agent pilot specialist positions are being created.

To meet these anticipated demands for aerial support, the FBI is requesting a total of 20 non-agent pilots in drug investigations. The use of non-agent pilots could reduce future operating costs by \$387,000 to \$659,000 per year.

The advantages of non-agent pilots include: reducing recruitment difficulties by eliminating the 35 year age limit and other unique agent qualifications; eliminating the cost of new agent training; reducing personnel compensation costs (journeyman non-agent pilots would be grade 12s at most); and creating a cadre of professional pilots not subject to routine transfers.

Confidential Case Funds

This funding request for \$2,285,000 is based on the number of pen registers and Title IIIs used by the FBI in criminal cases, which has increased nearly threefold since 1983, and the fact that the cost of leased lines has increased dramatically since the breakup of American Telephone and Telegraph (AT&T). In 1983, the number of telephone lines leased for the initiation and/or renewal of pen registers and Title IIIs was 1,300 and increased to 5,100 in 1987.

Electronic surveillance continues to be a critical investigative technique. In addition to an increase in the number of telephone lines leased, these lines must be leased for increasingly longer periods of time due to the complex and international aspects of these investigations. These expenses include the leasing of telephone lines, and the payment of tariff rates on each of these telephone lines. This increase is attributed to the increasing number of drug investigations that require electronic surveillance techniques to identify members of distribution networks, trace funds, and identify assets for forfeiture.

	<u>1988 As Enacted</u>			<u>1989 Base</u>			<u>1989 Estimate</u>			<u>Increase/Decrease</u>		
	<u>Perm.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm.</u>	<u>WY</u>	<u>Amount</u>
White-Collar Crime.....	3,021	2,934	\$173,678	3,021	2,934	\$177,502	3,270	3,059	\$188,237	249	125	\$10,735

Long-Range Goal: To reduce losses in Government programs, private sector businesses, and labor unions from corruption, fraud, and embezzlements; and to provide investigative assistance to the Department of Justice (DOJ), including United States Attorneys throughout the United States, in Civil and Antitrust matters.

Major Objectives: To identify, investigate, and obtain prosecution in: major fraud against the Government cases involving illegal practices by program and project management officials and officers of firms doing business with or for the Federal Government; Federal violations involving systematic corruption by Federal, state, and local executive and management level public officials,

as well as private citizens acting in complicity with corrupt public officials; Federal fraud, bribery, and embezzlement violations committed by bank officers, directors, customers, and owners, particularly those that result in the financial institution's failure or merger in lieu of failure; Federal fraud violations committed by officers, directors, and major stockholders of financial institutions, such as commodity futures brokerages, "boiler rooms," offshore banks, commercial financing firms, and organizations dealing in fraudulent or stolen securities involved in interstate or foreign commerce; and Federal fraud violations committed by officers, directors, and owners of major companies involved in the illegal disposal of toxic waste.

To identify, investigate, and obtain criminal prosecution of corrupt labor union officials and others acting in complicity with them who are engaged in the stealing or embezzling of monies or assets of a labor organization, employee pension fund, or welfare benefit plan.

To identify, investigate, and obtain criminal prosecution under recent Federal statutes concerning significant trademark counterfeiting, computer fraud, and bankruptcy fraud.

To support and actively participate in the efforts of the President's Council on Integrity and Efficiency, the Attorney General's Economic Crime Council, and the Interagency Bank Fraud Enforcement Working Group to coordinate a unified attack on high impact white-collar crime (WCC).

**Base Program Description:** WCC is defined as those illegal acts which are characterized by deceit, concealment, or violation of trust and which are not dependent upon the application or threat of physical force or violence. Such acts are committed by individuals and organizations to obtain money, property, or services; to avoid the payment or loss of money or services; or to secure personal or business advantage. The Department of Justice has identified and ranked priority areas regarding WCC. These are crimes against Federal, state, or local governments by public officials and private individuals; crimes against businesses, consumers, investors, and employees; and crimes affecting the health and safety of the general public. In response, the FBI has established three major priorities within the WCCP. They are: (1) fraud against the Government matters involving United States Government officials (and/or losses exceeding \$25 thousand) and bribery and other public corruption involving Federal officials (Government Fraud); (2) Federal, state, and local public corruption (Public Corruption); and (3) financial crimes.

Governmental Fraud investigations address allegations of fraudulent acts involving federally funded programs or bribery/conflict of interest in the executive branch of Government. This top priority subprogram endeavors to investigate and seek prosecutions of those individuals who, through deceit or dishonesty, attempt to interfere with the lawful functioning of Federal agencies, programs, or projects. Public Corruption involves the investigation of systematic corruption by Federal, state, and local executive and management-level public officials and allegations of election law violations. Financial Crimes investigations address frauds, embezzlements and other thefts occurring within or against the national and international financial community. Priority matters currently of particular concern are bank failures or bank (and savings and loan association) mergers in lieu of failure caused by fraud and embezzlements perpetrated by bank officers, owners, or major stockholders.

The White-Collar Crime Program also conducts extensive investigations in connection with the Government's prosecution of antitrust matters and the litigation of civil matters.

**Accomplishments and Workload:** Accomplishments of the WCC decision unit are presented in the following table, and narrative:

	1986	1987	Estimate	
			1988	1989
<b>1. INVESTIGATIVE MATTERS:</b>				
Beginning	22,300	22,684	23,800	25,650
Received	46,365	46,095	48,250	49,500
Resolved	45,996	46,077	46,400	47,300
Remaining	22,669	22,702	25,650	27,850
<b>2. JUDICIAL PROCESSES:</b>				
Convictions	4,031	4,443	4,500	4,850
Pretrial Diversions	369	338	340	360
Fines (\$000)	\$25,217	\$30,118	\$30,200	\$32,000
Recoveries (\$000) (1)	\$1,382,734 (2)	\$564,339	\$570,000	\$640,000
Potential Economic Losses Prevented	\$384,710	\$1,058,593 (3)	\$400,000	\$480,000
<b>Claims Against the Government (\$000)</b>				
*Filed	\$415,820 (4)	\$78,482	\$247,000	\$247,000
*Settled	\$64,607 (4)	\$3,578	\$34,100	\$34,100
<b>Claims by the Government (\$000)</b>				
*Filed	\$33,248 (4)	\$30,256	\$31,000	\$31,000
*Settled	\$25,020 (4)	\$15,272	\$20,000	\$20,000

(1) Includes recoveries and restitutions.

(2) This figure includes a \$1 billion court ordered restitution in an undercover operation which investigated international money laundering.

(3) This figure includes rose dramatically in 1987 due to a New York Securities Fraud Task Force and a major New York PELP claim in an ongoing ITSP case.

(4) The figures previously reported in these categories were for the Third Quarter of FY 1986.

\* Figures in these categories fluctuate drastically from year to year, therefore estimates are averaged from 1986 and 1987.

**EXPLANATION:** FBI program managers continually examine WCCP investigative matters from a qualitative viewpoint in order to insure agent resources are expended on defined priority matters, while reducing the number of non-priority investigative matters. Through these efforts, the percent of agent time expended on priority matters increased from 85 percent in 1982, to 89 percent in 1983, 90 percent in 1984, 91 percent in 1985, 93 percent in 1986, and 94 percent through 1987. Many non-priority WCCP matters which come to the attention of the FBI are investigated by the FBI but are referred to local authorities or other Federal investigative agencies having concurrent jurisdiction. The expected increase in investigative matters set forth in the above table represents quality cases, most of which are complex, long-term, and personnel intensive, and are categorized in the following investigative areas: Department of Defense procurement fraud, bank fraud and embezzlement, public corruption, election law, fraud by wire, and other governmental fraud.

In February 1987, a Federal grand jury in the Eastern District of Pennsylvania returned indictments against nine individuals and five corporations for violations of Federal racketeering, wire fraud, mail fraud, and false statements to the U.S. Government. Code named "THIMBLE" by the FBI, this investigation exposed high level bribery and corruption at the Defense Personnel Support Center in Philadelphia, Pennsylvania.

As of October 1987, 91 subjects (including physicians, medical laboratories, pharmacies, and clinic owners) have been indicted, of which 83 have already plead guilty or been convicted, as a result of a Detroit investigation which identified approximately 30 medical clinics that defrauded Government-funded insurance carriers of \$75 million. The indictments and convictions include violations of RICO, Mail Fraud, and Narcotics Distribution. Additionally, approximately 20 of these health care entities have either gone out of business or have been forfeited to the Government.

In April 1987, a Federal grand jury in the District of Colorado returned a 19-count indictment charging Protex Industries, Inc. and several of its officers with conspiracy to violate environmental laws, false statements to an agency of the U.S. Government, Illegal Transportation of Hazardous Materials, Illegal Disposal of Hazardous Waste, Illegal Storage of Hazardous Waste, Illegal Discharge of Toxic Pollutants into Navigable Waters of the U.S., and Knowing Endangerment as a result of a joint investigation with the Environmental Protection Agency.

In August 1987, 48 subjects were charged with participating in kickback schemes in connection with the "DOUBLESTEEL" undercover operation. Forty-four of the subjects charged were current or former municipal highway superintendents and/or purchasing directors. Thus far, 21 subjects have plead guilty. This matter was coordinated with the "STREETSWEEPER" undercover operation.

As of October 1987, over 90 individuals have been convicted in a real estate loan fraud scheme in Texas, which caused the failures of five savings and loan associations, and is expected to result in payment of over \$750 million in Federal deposit insurance funds. On October 7, 1987, a Federal grand jury in Dallas returned an 88 count RICO indictment charging seven of the principal subjects of this investigation, including two former savings and loan officials, with conspiracy to fraudulently obtain more than \$100 million from five savings and loan associations in Texas and Arkansas.

Program Changes:	1989 Base			1989 Estimate			Increase/Decrease		
	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount
White-Collar Crime.....	3,021	2,934	\$177,502	3,270	3,059	\$188,237	249	125	\$10,735

Increases of 119 Special Agent positions (60 workyears), 62 Special Support positions (31 workyears), 68 General Support positions (34 workyears), and \$3,265,000 in nonpersonnel items are requested for the WCCP. These increases are necessary in order for the FBI to have sufficient personnel and nonpersonnel resources to address an expanding workload in 1989. With continued emphasis being placed on priority matters within the WCCP, increasing numbers of complex, personnel intensive cases are being investigated using sophisticated investigative techniques, such as court-authorized electronic surveillances and undercover operations. Since

1986, nearly 100 percent of WCCP funded agent workyears were used in the WCCP. At the same time, workyears devoted to FBI identified non-priority matters have been reduced to a minimum. Without additional resources for the WCCP, an increased workload will prohibit the FBI from investigating priority cases on a timely basis.

The additional 249 positions would allow the FBI to address an increasing workload in several investigative areas. This request includes 34 agent and 25 general support positions for the investigation of DOD procurement fraud; 40 agent and 20 general support positions for the investigation of bank fraud and embezzlement; 30 agent and 16 general support positions for the investigation of public corruption and election law matters; and 15 agent and 7 general support positions for the investigation of toxic waste matters. Special support positions included in this request for the field are accounting technicians, 25; ISIS analysts, 8; ISIS data loaders, 7; Investigative Assistants, 7; and pilots, 15.

#### Department of Defense (DOD) Procurement Fraud

The Economic Crime Council has identified Department of Defense (DOD) Procurement Fraud as the number one white-collar crime priority. Bribes and kickbacks paid to Government employees, contract labor mischarging, and defective pricing in negotiated contracts have resulted in millions of dollars in wasted Government expenditures. Of additional consequence is the heightened concern for safety and defense preparedness, as faulty products and non-conforming, substandard goods flood our military arsenals.

Through the Defense Procurement Fraud Unit (DPFU) of the Department of Justice, the FBI has effectively enhanced investigative coverage in this area by its participation in an early referral system for suspected contract irregularities. Frauds discovered by various DOD audit agencies, such as the Defense Contract Audit Agency (DCAA) and Defense Audit Service (DAS), are forwarded to DPFU for appropriate screening and evaluation of criminal prosecutive potential. Where prosecutive potential is determined to exist, joint investigations with DOD investigative agencies are initiated whenever possible in order to economize resources, promote efficiency, and enhance the FBI's capability to determine compliance with the maze of complex and intricate DOD regulations.

Quality cases, involving the use of sophisticated investigative techniques such as undercover operations and electronic, physical, and aerial surveillances are now the norm. While the use of electronic surveillance and certain aspects of undercover operations are necessarily manpower intensive, they nonetheless more efficiently utilize manpower and result in higher productivity when compared to traditional investigations which require an extensive commitment of time and manpower to conduct document reviews and historical interviews. In order to properly investigate such quality cases and implement the various sophisticated investigative techniques, an additional 34 agent positions and 25 general support positions will be needed in 1989. Resource commitments at less than this level will inhibit timely completion of quality investigations and may preclude the use of some of the sophisticated investigative techniques, especially where safety of personnel is a consideration.

#### Bank Fraud and Embezzlement (BF&E)

The record number of bank and savings and loan failures in the United States is contributing to a dramatically increasing bank fraud and embezzlement workload. As of October 1, 1987, over 300 bank failures were subject of pending FBI investigations.

Overall, the FBI's highest priority bank fraud and embezzlement classification, where the loss to the financial institution exceeds \$100,000, rose to a caseload of 3,393 at the end of Fiscal Year 1987, an increase of 15 percent over 1986 and an increase of 194 percent over the 1981 level. These investigations are so complex and personnel intensive that they required 71 percent of all the workyears expended by the FBI on bank fraud and embezzlement matters in 1987. While this commitment was consistent with the FBI's effort to devote its personnel resources to the highest quality cases, it was insufficient to fully address the magnitude of this serious criminal problem. Several FBI field offices have an immediate need for additional agent and support personnel to adequately address identified bank fraud and embezzlement problems. Included are the Dallas, Houston, Los Angeles, Little Rock and New Orleans field offices. The investigations being conducted in these field offices are long-term and require substantial personnel commitments.

An increase of 40 agent positions and 20 general support positions would permit the FBI to allocate an adequate number of personnel to the field offices suffering from insufficient personnel to investigate these criminal problems. Since bank fraud and embezzlement cases require several years to complete the investigative and prosecutive phases, it is likely that additional personnel funded in 1989 will be employed in the resolution of matters currently under investigation.

Public Corruption and Election Law Matters

The FBI continues to place a high priority on public corruption and election law investigations. Public Corruption allegations are serious and sensitive and are addressed without delay. The number of agent workyears committed to over 1,350 public corruption investigations at the local, state, and Federal level numbered 250 in 1987, a 27 percent increase over 1982. This increase is a result of a number of trends. One is that the FBI's increasing role in these high impact investigations has spawned greater recognition from the public. At the same time, the public has been educated in the sophisticated nature of corruption. This greater awareness on the part of the public has led to increased complaints of official misconduct. Another cause is the increased emphasis that United States Attorneys around the country are placing on these matters. As a result, United States Attorneys are committing more of their prosecutors to these cases thereby creating a greater demand on the investigative resources of the FBI. The most significant trend, however, is the increasingly complex nature of these cases. As the FBI has established priorities in these cases, it has found that the higher impact, more significant matters are often far more demanding and complex than ones in the past. Furthermore, these higher profile cases more frequently result in trial necessitating substantial preparation and thereby greater personnel commitment. In many of these public corruption investigations, court authorized electronic surveillance and undercover operations have become necessary to develop compelling evidence of misconduct. While these techniques have proven to be most effective and efficient, they require an extensive utilization of personnel.

Election law violations stem primarily from voter fraud and fraud in the submission of absentee ballots. Particular problems have been identified in the South and Southeast regions of the country and in certain large cities such as Chicago and Philadelphia which have required an intensive commitment of personnel to address. These investigations are cyclical in nature, directly related to the occurrence of federal elections and are highly demanding of personnel and resources. The use of the computer enhances the ability to identify violations, but its use also creates the need for additional Special Agents to investigate the identified problems. In view of the patterns of voter fraud and absentee ballots abuses already identified, and to address a continued increase in public corruption workload, which includes numerous complex cases that frequently require the use of the most sophisticated investigative techniques, 30 agent positions and 16 general support positions will be needed in 1989.

#### Environmental Crimes

In 1982, the FBI obtained concurrent authority with the Environmental Protection Agency (EPA) to conduct investigations into Environmental Crimes. Passage of tough Environmental Protection laws in the early 1980s led inevitably to illegal storage, transportation, and disposal of hazardous waste by many entrepreneurs. Illegally handled wastes cause serious harm to the environment and to human health through: (1) surface water contamination; (2) ground water contamination via seepage; (3) fires and explosions; (4) poisoning through food chain contamination; and (5) direct human contact. The EPA estimates that only ten percent of U.S. hazardous waste is disposed of legitimately.

From a fledgling 48 cases in 1984, the FBI's environmental crimes program has grown through referrals and self initiative to 168 pending investigations at the end of Fiscal Year 1987. This represents only a tip of the environmental crimes problem. Forty-seven field offices currently have Environmental Crimes investigations which range from illegal storage, transportation and disposal of toxic waste by unscrupulous companies, to corruption of public officials and infiltration of disposal facilities by syndicate crime families. The Environmental Crimes workload trend is expected to increase as more state and local enforcement officers, through FBI-sponsored in-service training, refer cases for investigation. In order to address these matters in an effective manner, an additional 15 agent positions and 7 general support positions will be needed in 1989.

#### Field Accounting Technicians

With projected increases in workload in investigative areas, including DOD procurement and other governmental program frauds, bank frauds and embezzlements, and public corruption, in which Accounting Technicians are of great assistance, additional Accounting Technicians will be needed in 1989. By funding the additional Accounting Technicians, investigative demands which would otherwise have to be performed by Special Agent personnel could be performed by Accounting Technicians at reduced cost. In a 1987 survey of field offices, a need for an additional 81 Accounting Technicians was identified. The requested increase of 25 Accounting Technician positions in 1989 would partially contribute to meeting these needs.

#### Field Investigative Support Information System (ISIS) Analysts and Data Loaders

ISIS is a computerized data base system which enables investigative personnel to analyze voluminous amounts of evidence in an expeditious manner. Past successes in cases where ISIS was used in program investigations, coupled with increased access to ISIS resulting from the resumption of computer workstation installations in field offices and resident agencies, will increase the demand for ISIS analysts and data loaders. To support major WCCP investigations, eight additional ISIS analyst positions and seven ISIS data loader positions are being requested for 1989.

#### Field Investigative Assistants

Investigative Assistants (IAs) provide indispensable technical support to the FBI's investigative efforts by developing background information on subjects of investigations and by establishing and maintaining effective liaison with representatives of various agencies in order to promote development of investigative information. With an increased number of Special Agents in field

offices projected into 1989, a need for additional IAs to support criminal investigations has been determined. The use of experienced and qualified IA personnel to perform these important functions permits Special Agent investigative resources to be concentrated on the more demanding and complex aspects of FBI investigations. Seven IA positions are requested for 1989.

#### Non-Agent Pilots

Future demands for aircraft support will require additional pilots. All pilot functions are currently performed by Special Agent personnel. To meet the anticipated demands for aircraft support and retain agent resources within investigative activities requiring sworn law enforcement personnel, the FBI is requesting a total of 15 non-agent pilots to support WCCP investigations. The use of non-agent pilots could reduce future operating costs and is consistent with the thrust of the Attorney General's management and productivity initiatives.

#### Confidential Expenditures

An increase of \$3,265,000 for confidential expenditures is needed to support the growing use of pen registers and court authorized electronic surveillances in WCCP matters. The number of pen registers and court authorized electronic surveillances used by the FBI in criminal cases has increased nearly threefold since 1983. The number of telephone lines leased for the initiation and/or renewal of pen registers and electronic surveillances increased from 1,300 in 1983 to 3,400 in 1986. The growth in the use of these techniques has resulted in substantial expenditures for the lease of telephone lines--costs that have not previously been funded for as specific items. Electronic surveillance continues to be a critical investigative technique in the WCCP. Without this technique, incriminating statements and information of evidentiary and lead value would be lost to the FBI and United States Attorneys. In addition to an increase in the number of telephone lines leased, these lines must be leased for increasingly longer periods of time due to the complex and international aspects of these investigations. Additionally, the cost of leased lines has increased dramatically since the breakup of AT&T. The lease of telephone lines for investigative purposes, i.e., pen registers and electronic surveillances, is not included in the FBI's telecommunications system budget.



Federal Bureau of Investigation

Salaries and expenses

Justification of Program and Performance

Activity Resource Summary  
(Dollars in thousands)

Activity: Investigative Support	1988 As Enacted			1989 Base			1989 Estimate			Increase/Decrease		
	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount
Training.....	400	389	\$25,117	400	389	\$28,379	381	370	\$28,218	-19	-19	-\$161
Forensic Services-Federal.....	338	327	21,377	338	327	21,712	319	308	21,551	-19	-19	-161
Automated Data Processing and Telecommunications.....	591	579	135,905	591	579	136,413	590	558	149,696	-1	-21	13,283
Records Management.....	1,295	1,254	45,343	1,295	1,254	46,289	1,155	1,114	45,101	-140	-140	-1,188
Technical Field Support and Equipment.....	151	148	63,211	151	148	65,062	199	168	75,040	48	20	9,978
Total.....	2,775	2,697	290,953	2,775	2,697	297,855	2,644	2,518	319,606	-131	-179	21,751

Investigative support for FBI programs is provided through training, forensic laboratory examinations and research, efficient management of investigative and administrative records, automatic data processing and telecommunications management and maintenance, and technical field support and equipment supply.

	1988 As Enacted			1989 Base			1989 Estimate			Increase/Decrease		
	Perm.	WY	Amount	Perm.	WY	Amount	Perm.	WY	Amount	Perm.	WY	Amount
	Pos.			Pos.			Pos.			Pos.		
Training.....	400	389	\$25,117	400	389	\$28,379	381	370	\$28,218	-19	-19	-\$161

**Long-Range Goal:** To develop and improve the investigative, managerial, and technical capabilities of FBI Special Agents and support personnel through research, education, and information to insure that they are prepared to carry out their responsibilities in an efficient and effective manner and in compliance with the law and Government regulations.

**Major Objectives:**

Provide the highest level of training services for new agents to insure that their knowledge and skills are developed to enable them to discharge their complex responsibilities in a professional manner from the outset of their careers.

Afford advanced professional training and investigative support at the FBI Academy and in the field for special agents and support personnel, enabling them to carry out their responsibilities in an efficient, professional, and effective manner.

Improve the ability of mid-level and upper level FBI executives to more effectively carry out their increasingly complicated responsibilities, and provide for job enrichment and career development opportunities for support personnel through educational and training programs at the FBI Academy and in the field.

Conduct necessary research and provide evaluative, investigative, and operational assistance to FBI field and headquarters units in areas where FBI Academy personnel have specialized expertise.

Enhance FBI/DEA investigative operations through the continued collocation of FBI/DEA training at the FBI Academy.

Maintain and improve the land, buildings, equipment, furnishings, and fixtures which make up the FBI Academy complex in a manner consistent with and conducive to an effective, efficient, safe, and healthy learning and living environment.

**Base Program Description:** New Agents Training Program: After being accepted as a special agent trainee, the period of instruction at the FBI Academy encompasses, but is not limited to, the following major topics over a 13-week period: substantive statutory violations, national security matters, basic law enforcement and forensic skills, behavioral science, legal instruction, communications, field office administration, firearms, arrest techniques, physical fitness, professional conduct, and ethics. Newly acquired skills in these areas are applied in various practical problems and moot court situations.

**Advanced Professional Training and Direct Field Support Programs:** Special agents are periodically brought back to the FBI Academy for instruction in specialized areas based upon the investigative needs and priorities of the FBI. Specialized training and direct field support are also provided by FBI Academy instructors and FBI Headquarters' personnel in field offices if this method is more cost-effective or responds to the particular need of a specific field office.

**Research, Faculty Development, and Liaison:** Currently, a limited number of FBI Academy faculty members and field instructors are pursuing graduate study in job-related areas at various colleges and universities when instructional and investigative duties permit. In addition, ongoing faculty exchange programs exist between FBI Academy personnel and the Australian, British, and Canadian Police Colleges. FBI Academy instructors attend symposia, seminars, schools, and participate in other relevant educational experiences when possible. The faculty also maintains liaison with selected foreign law enforcement agencies and several foreign and United States military counter-terrorist units for exchange of training information and equipment.

**Maintenance and Improvement of Physical Plant:** Employees assigned to eight maintenance and craft shops perform the required maintenance for 385 acres; 24 major buildings; 23 fully-equipped classrooms; 15 training, storage, and utility structures, and the six FBI firearms ranges, all of which make up the FBI Academy training complex.

**Accomplishments and Workload:** The FBI Academy has an optimum capacity of approximately 150,000 student training days (612 beds x 5 days x 49 weeks). During 1987, 166,993 student training days were used, with 55,125 (33 percent) used for General Law Enforcement Training (GLET). FBI employee training during 1987 was at 78,125 student days (47 percent) with an additional 33,313 student days (20 percent) dedicated to DEA training. During 1987, 4,952 FBI employees were trained in various schools, seminars, working conferences, and symposia at the FBI Academy. This figure includes 802 new agent personnel. A total of 1,537 DEA employees participated in FBI Academy training sessions.

Technical assistance in the form of case analysis, personality assessment, and consultation and construction of personality profiles were provided in 164 FBI investigative matters. Significant time and effort were spent on major FBI investigations such as UNABOM, CHOKEHOLD, FREEWHEEL, WELROB, GREENMUR, BRISPEC, BRAHMAN, VEXFACIA, CASEY, FLYNTLOK, and similar FCI matters.

During 1987, 600 hours of psychological services, assistance, and consultation by the Behavioral Science Services were furnished to FBI administrators and personnel. Ninety hours of post-critical incident reaction training were furnished to 48 special agents who had been involved in shooting situations and other life-threatening events.

During 1987, a total of 577,316 hours of instruction were afforded to 9,247 FBI Agents in addition to training offered at the FBI Academy. This instruction included 68 hours of training for each field agent and eight hours of mandated training for FBIHQ supervisory personnel. Approximately 50,972 total training hours for 12,743 support employees in the field and at FBIHQ was also accomplished in 1987.

The Fitness Indicator Test (FIT) is continuing on a semiannual basis (spring and fall) with computerized feedback to all agent personnel. Additionally, pre-entry fitness testing began field-wide in 1986 to measure fitness levels of all special agent applicants to insure they are all at a minimum level of conditioning.

**Program Changes:**

	<u>1989 Base</u>			<u>1989 Estimate</u>			<u>Increase/Decrease</u>		
	<u>Perm. Pos.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm. Pos.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm. Pos.</u>	<u>WY</u>	<u>Amount</u>
Training.....	400	389	\$28,379	381	370	\$28,218	-19	-19	-\$161

A decrease of 19 positions and workyears and \$161,000 will result from contracting out certain functions in this program. The activities in this program that will be studied for possible contracts with private industry include various support functions.

	<u>1988 As Enacted</u>			<u>1989 Base</u>			<u>1989 Estimate</u>			<u>Increase/Decrease</u>		
	<u>Perm. Pos.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm. Pos.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm. Pos.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm. Pos.</u>	<u>WY</u>	<u>Amount</u>
Forensic Services - Federal...	338	327	\$21,377	338	327	\$21,712	319	308	\$21,551	-19	-19	-\$161

**Long-Range Goal:** To support the Federal criminal justice system by insuring, through scientific means, that all physical evidence is fully utilized to develop as much probative information as possible to reconstruct the crime, identify the guilty, and exonerate the innocent and to provide scientific and technical support to ongoing FBI and DEA investigations.

**Major Objectives:**

- To provide professional, expeditious handling for approximately 12,750 Federal requests for scientific examination of physical evidence.
- To assist in the prosecution of criminal matters by providing expert testimony in a full range of forensic disciplines and trial aids.
- To provide scientific and technical support to ongoing FBI and DEA investigations.
- To make significant progress in research projects which will be designed to make the best use of physical evidence, stay abreast of new technology, and improve the ability to support ongoing investigations.
- To provide forensic science training to Federal investigators and crime laboratory personnel to maximize the use of physical evidence in the solution and prosecution of crimes.

**Base Program Description:** Requests for examination of evidence come to the FBI Laboratory as a result of FBI and DEA field investigations and from other Federal agencies which do not have laboratories with the technical capability to perform a particular type of examination. The cases received include specific requests made by the contributor to conduct a wide-range of

forensic examinations on the physical evidence (specimens) obtained during the investigation of the crime. Requests are received in the Evidence Control Center, where pertinent information concerning the request is recorded in a computer. The request is then assigned a priority for examination and assigned to a principal examiner. The examiner might be called upon to render expert testimony concerning the results of the examination in subsequent court proceedings.

**Accomplishments and Workload:** Accomplishments of the Forensic Services - Federal program are presented in the following table:

Item	Estimates			
	1986	1987	1988	1989
1. Laboratory Examination				
a. Requests for Examinations	12,568	14,210	12,700	12,750
b. Specimens Submitted for Examination	82,033	98,487	82,500	82,800
c. Examinations Conducted	907,286	741,773	933,600	933,600
d. Days Spent in Testimony	1,014	767	1,030	1,030

**Explanation:**

The statistics set forth above are captured through the Laboratory's Management Information System and indicate the actual and projected examination workload through a review of data from 1985 and 1986.

2. Related Laboratory Support Activity

a. Forensic Science Training Hours Devoted to New Agent and In-Service Training	7,299	8,256	8,196	9,715
b. Workdays Devoted to Forensic Science Research	4,025	4,337	4,925	4,405
c. Polygraph Control Reviews	12,324	12,786	13,000	13,000
d. Trial Aids Prepared	5,029	6,636	6,967	7,315
e. Investigative Aids Prepared	3,349	4,886	6,288	7,332
f. Days Spent In Direct Investigative Support	767	881	800	1,000
g. Pages Translated	12,083	12,959	13,000	16,800
h. Photographic Prints Processed	2,492,998	3,066,425	3,298,529	3,531,577
i. Screen Printing	13,717	6,035	9,052	11,315

Program Changes:

	<u>1989 Base</u>			<u>1989 Estimate</u>			<u>Increase/Decrease</u>		
	<u>Perm.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm.</u>	<u>WY</u>	<u>Amount</u>
Forensic Services - Federal...	338	327	\$21,712	319	308	\$21,551	-19	-19	-\$161

A decrease of 19 positions and workyears and \$161,000 will result from contracting out certain functions in this program. The activities in this program that will be studied for possible contracts with private industry include various support functions.

	<u>1988 Enacted</u>			<u>1989 Base</u>			<u>1989 Estimate</u>			<u>Increase/Decrease</u>		
	<u>Perm.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm.</u>	<u>WY</u>	<u>Amount</u>
Automated Data Processing & Telecommunications....	591	579	\$135,905	591	579	\$136,413	590	558	\$149,696	-1	-21	\$13,283

Long Range Goal: To support the FBI's information collection, storage, retrieval, and dissemination requirements through centralized management of automated data processing and telecommunications (ADPT) resources and implementation of the Long-Range Automation Strategy.

Major Objectives:

To enhance Field Office Information Management System (FOIMS) capabilities to the field through the acquisition of intelligent workstations and the renovations of eleven field divisions.

To develop and implement FOIMS generic case management software to support all investigative work functions and to integrate the common functions among all investigative systems.

To upgrade the Intra-FBI Records Communications Systems (IRCS) by migrating to secure T-1 carrier circuits that will provide the FBI with the capability to support secure transmission of data, video, voice, and images, including secure teleconferencing between field office command centers and the FBI Headquarters Emergency Operations Center.

To apply artificial intelligence (AI) technology in the form of knowledge based expert systems to FBI information processing activities, including: fielding production expert systems to six field locations; enhancing the labor racketeering expert system to include money laundering logic; and implementing the third phase of the Decision Support System with baseline expert systems capabilities, providing FBI executives with analytic support for resource allocation decisions, planning, and decision making options with risk assessments and crisis management capabilities.

To implement the Universal File Number (UFN) system in the FBI's automated environment to provide a common reference point to consolidate case activities/information and to facilitate standardization of the index to support the migration to an integrated distributed environment.

To develop and implement a new integrated National Crime Information Center (NCIC) system based on the results of the NCIC 2000 study conducted by the MITRE corporation to be completed in the first quarter of 1988.

To implement an Information Systems Engineering Center to support the development and maintenance of quality information systems and to provide initial operational capabilities in the areas of user engineering, software engineering, and life-cycle engineering.

To implement fully the integrated Resource Management System (RMS), extending data entry capabilities to the field and providing on-line access, data query, and expert systems capabilities for personnel, financial, and statistical information, in support of day-to-day management activities as well as executive decision making.

To integrate the Automated Records Management System (ARMS) subsystems and to support the development of a distributed index to be shared with the FOIMS and other investigative systems.

To provide office automation (OA) capabilities to support management of FBI Headquarters divisions which are consistent and compatible with OA capabilities in the field.

To implement a redesigned Organized Crime Information System (OCIS) using a relational data base management system.

To enhance the integrated system to provide for the collection, analysis, and retrieval of homicide data in support of the National Center for the Analysis of Violent Crime (NCAVC).

To provide support to major cases through the operation, maintenance, and enhancement of the Investigative Support Information System (ISIS).

**Base Program Description.** The Automated Data Processing and Telecommunications (ADPT) program provides information collection, storage, retrieval and dissemination services in support to the FBI's Criminal Law Enforcement, Foreign Counterintelligence, and Law Enforcement Support, and Administrative missions. The strategic objective of this program is to improve the efficiency and effectiveness of the FBI's mission areas through the application of state-of-the-art information technology. Since approval of the FBI's Long Range Automation Strategy in 1981, and with the support of the Administration and Congress, the FBI has made significant progress in achieving its automation goals and objectives. The Field Office Information Management System (FOIMS) is the cornerstone of this strategy. Currently, baseline FOIMS capabilities are online to 39 field offices supported by two regional computer support centers. All 59 field offices would have baseline FOIMS capabilities by the end of 1988.

Beginning in 1989, the FBI would begin implementation of the extended FOIMS operating environment. A 1987 study of extended FOIMS cost/benefits conducted by the Institute for Defense Analyses reported that efficiency benefits--the value of time saved by investigative personnel using FOIMS to access and retrieve data rather than manually searching files--would result in cost avoidances of more than \$115 million through 1992. Effectiveness benefits--the value of answers to questions that would not have been obtained using a manual search method--would total more than \$4.8 billion through 1992. Overall, a 6:1 benefit to cost ratio was projected for extended FOIMS through 1992. The implementation of extended FOIMS functionality is dependent upon a secure distributed data base and processing architecture throughout the FBI. To achieve this goal, it is essential that the FBI possess sufficient computer hardware and software resources to satisfy the data base, telecommunications, and computational requirements of a nationwide network of users.

Accomplishments and Workload:

A contract was awarded in July 1987 for the purchase of approximately 2,800 intelligent workstations (IWS). This contract will allow the acquisition of up to 8,000 IWS over a five-year period to support FBI operations.

Several accomplishments related to FOIMS were achieved. Implementation of base-line FOIMS continued and as of December 1987, 39 field offices, the Criminal Investigative Division, and the Training Division were on-line. FOIMS training was provided to 22 New Agent classes, bringing the total number of FBI personnel receiving FOIMS training to approximately 4,100. Renovation of FBI field offices continued with 11 completed during 1987. Major milestones in standardizing operating environments among the FBIHQ Computer Center and the regional computer support centers were achieved. Construction of the Western Regional Computer Support Center was completed within budget and on schedule. Automated back-up and recovery capabilities between the Western Regional Computer Support Center and the Northeast Regional Computer Support Center were prototyped.

A prototype of a labor racketeering expert system was deployed to the Chicago field office to support a major union corruption investigation.

The capabilities at the El Paso Intelligence Center (EPIC) were significantly enhanced by adding two new sources of flight plan data, installing five additional workstations and developing software to provide the capability to automatically generate queries.

Field office command centers in New York City and Indianapolis were equipped with the latest equipment in support of the Statue of Liberty Rededication ceremonies and the Pan American games, respectively.

The Property Forfeiture Application (PFA) was implemented, using a fourth generation language, to track and record the administrative functions of the FBI's civil and criminal forfeiture procedures.

The services of the Institute for Defense Analyses were used to document FOIMS cost/benefits and to develop a personnel/payroll system.



The Organized Crime Information System (OCIS) was deployed to one additional field office. A total of 48 field locations are servicing more than 90 percent of the agents assigned to organized crime investigations. The Investigative Support Information System (ISIS) was deployed to six new locations. This system is now supporting 134 total data bases. Assistance was provided to 18 field locations regarding 23 investigative matters in the form of Field Office Special automated support.

Installation of the Secure Automated Message Network (SAMNET) was completed in all field offices, FBI Headquarters, two regional computer support centers, and EPIC, for a total of 63 locations.

The secure Computer Applications Communications Network (CACN) circuitry was expanded to support the accelerated implementation of FOIMS, the planned installation of existing investigative systems (ISIS, OCIS), and to allow migration to a single System Network Architecture.

The services of the Atre International Consultants, Inc., were used to develop a methodology for designing distributed data bases. A prototype of the FBI Distributed Index Data Base, using this methodology, was initiated.

Increased efficiency and effectiveness in the FBI Headquarters Computer Center was achieved, including:

- Processing of 442,770 computer jobs, a nine percent increase over 1986.
- User services were enhanced through installation of 13 new proprietary software packages and upgrade of 25 existing software packages.
- Contract options were exercised on existing FBIHQ Computer Center hardware which increased the capacity of the center by 90 percent.
- Thirty gigabytes of storage were procured and installed, as well as, two controllers, four color display terminals, one microfiche machine, and one optical mark reader.

The Information Systems Audit (ISA) staff completed audits of the Violent Criminal Apprehension Program, the Legal Counsel Information System, and the Travel Control System. In addition, systems development reviews of a number of applications were completed, including the Personnel/Payroll System redesign, Uniform Crime Reporting system redesign, and various subsystems within the FOIMS.

Program Changes:

	<u>1989 Base</u>			<u>1989 Estimate</u>			<u>Increase/Decrease</u>		
	Perm.			Perm.			Perm.		
	<u>Pos.</u>	<u>WY</u>	<u>Amount</u>	<u>Pos.</u>	<u>WY</u>	<u>Amount</u>	<u>Pos.</u>	<u>WY</u>	<u>Amount</u>
Automated Data Processing & Telecommunications....	591	579	\$136,413	590	558	\$149,696	-1	-21	\$13,283

Increases totaling 40 positions (20 workyears) and \$13,631,000 for the ADPT decision unit are requested for 1989. These increases are essential for this program to support effectively the Foreign Counterintelligence, Criminal Law Enforcement, Administration, and Law Enforcement Services missions of the FBI and the priorities of the President and Attorney General. Automation

developments are long-term efforts requiring detailed planning, design, acquisition, construction, and implementation. The personnel and nonpersonnel resources requested for 1989 reflect the results of this detailed planning and are consistent with the FBI's Long-Range Automation Strategy and Automated Information System plans. Additionally, the thrust of the FBI's 1989 ADPT request is consistent and supportive of the Attorney General's desire to improve management productivity and efficiency through the application of modern technology to the work place.

#### Expert system development

The FBI requests \$6,500,000 to continue initiatives related to artificial intelligence (AI) and the use of expert systems. The scope and complexity of FBI investigations and operations require capabilities beyond those of conventional information systems. Knowledge-based expert systems provide essential capabilities by integrating investigative expertise and heuristics of expert agents and prosecutors into special rules for processing knowledge, data, statutes, and guidelines for drawing inferences about criminal violations, conspiracies, and anticipated events. Expert systems also provide management with a tool for identifying more effective and efficient uses of allocating human, financial, and material resources. The use of expert systems allows the FBI to retain the knowledge of its more experienced agents that is lost when those individuals retire. In addition, expert systems fill information gaps, suggest courses of investigative action, preserve institutional knowledge, and facilitate the development of investigative skills of new agents. Productivity gains to programmers and functional users are realized through the use of natural language processors, such as Intellect. Expert system development costs are within range of those for conventional applications, considering the extended functionalities and capabilities realized by expert systems. Key in-house productivity improvements in software development will significantly improve the FBI's already positive benefits/cost ratio and will meet Administration goals for reduced software maintenance costs.

Funding requested in 1989 would continue development of the Decision Support system to provide strategic and tactical capabilities to support all aspects of FBI decision-making involving human and financial resources. The Decision Support system would draw information from the recently implemented personnel/payroll system and integrate this data with other expert systems, such as the planned Crisis Management and existing Counterterrorism expert systems, to support strategic and tactical decision-making. The FBI's request for 1989 would also continue development of an expert system to support its foreign counterintelligence mission by integrating data collected and contained in investigative support systems and the Field Office Information Management System (FOIMS). In 1984, the FBI initiated a contract with the Institute for Defense Analyses to develop, among others, an expert system to enhance narcotics interdiction and intelligence gathering capabilities. Funding requested would also support the continued implementation of expert systems prototyped in 1985 and 1986 for the analysis of drug intelligence.

#### Intra-FBI Records Communication System (IRCS)

IRCS supports the FBI's data communications requirements through the lease of telecommunications lines and circuits that permit field office personnel to access centralized data bases and information systems at FBI Headquarters and FOIMS data bases in regional computer support centers. Without IRCS, the necessary telecommunications link between field offices, regional computer support centers, and the FBI Headquarters Computer Center would be missing. In 1986, the FBI expended approximately \$7,000,000 for IRCS. Base funding will total \$4,305,000 in 1989; however, expenditures are projected to total \$10,436,000. In order to

provide essential telecommunications line support for FOIMS and other FBI information systems in 1989, an increase of \$6,131,000 is requested.

Several factors are contributing to the increase in IRCS costs. During 1988, the FBI will extend baseline FOIMS capabilities to all 59 field offices and approximately 400 resident agencies throughout the United States. This represents substantial growth from 1986, when 30 field offices and 63 resident agencies were served by FOIMS. In addition to FOIMS, field office personnel will also be provided with access to major investigative information systems, such as the Organized Crime Information System (OCIS) and Investigative Support Information System (ISIS). OCIS is already available to several FBI Legal Attache posts. This increased access will require the lease of additional circuits. The FBI upgraded network access to 15 field offices and their major resident agencies. In 1988, seven field offices and their major resident agencies would have their network access upgraded. Remaining resident agencies will be provided with network access in 1989. Additionally, data communications facilities in seven major field offices, FBIHQ, and the three operational regional computer support centers would be upgraded to secure T1 carrier circuits in 1989, providing the FBI with the capability to support secure transmission of data, video, voice, and images (i.e., arrest photographs, fingerprints, and surveillance photographs). Another factor relating to the increase in IRCS costs is the building of redundant paths into the FBI's telecommunications network to insure the network meets the FBI's standard of 99 percent reliability.

#### Field Electronics Technicians

An increase of 40 positions (20 workyears) is requested for field electronics technicians. By 1989, baseline FOIMS capabilities would be available to all field offices and resident agencies. These capabilities will provide for indices, generic case management, administrative reporting, and other functions. At the baseline FOIMS level, each field office squad would have access to a limited number of computer workstations. Extended FOIMS capabilities call for the installation of computer workstations at a ratio of one workstation for every two agents. The total number of field electronics technicians required to support the FBI's Long Range Automation Strategy is 178, based upon an allocation of three electronics technicians for each of 18 telecommunications "hub" field offices (54 electronics technicians total); two electronics technicians for each of the remaining 41 field offices (82 total); and seven electronics technicians for each of the six planned regional computer support centers (42 total). Currently, there are 69 field electronics technicians supporting automation and telecommunications activities, leaving a need for 107 field electronics technicians. Forty additional electronics technicians are needed in 1989 for field office site preparations required to support the number of extended FOIMS workstations, computer workstation installations, and related duties. The remaining field electronics technicians would be required in 1990 and subsequent years, as implementation of extended FOIMS progresses.

A decrease of 41 positions and workyears and \$348,000 will result from contracting out certain functions of this program. The activities in this program that will be studied for possible contracts with private industry include various support functions.

	1988 As Enacted			1989 Base			1989 Estimate			Increase/Decrease		
	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount
Records Management..	1,295	1,254	\$45,343	1,295	1,254	\$46,289	1,155	1,114	\$45,101	-140	-140	-\$1,188

**Long-Range Goal:** To manage FBI information throughout its life cycle insuring that information is available in the right place, at the right time, to the right people, and at the lowest possible cost.

To provide direct management control over the processing, operation, and maintenance of investigative, personnel, administrative, and general files.

To facilitate lawful public access to FBI records in response to Freedom of Information and Privacy Acts (FOI/PA) requests and continue to maintain and safeguard National Security Information (NSI).

To develop and implement an information architecture which focuses on Automated Data Processing/Telecommunications (ADP/T) and other state-of-the-art technologies.

**Major Objectives:**

Insure mail is routed, classified, searched, serialized, indexed, and recorded promptly, and to provide mailing, courier, and messenger services in a more cost-effective manner.

Provide file review, name searches, and locate services in response to name check requests received from Executive Branch agencies and FBI Headquarters divisions.

Classify and protect NSI or declassify information in FBI documents which is sought through FOI/PA individual requests and court actions.

Respond to administrative FOI/PA appeals by reviewing classification decisions applied to FBI documents which contain NSI with the Department Review Committee and insure that the NSI withheld meets current substantive and procedural requirements.

Reduce the backlog of unprocessed FOI/PA requests and the amount of time required to complete each matter.

Complete an analysis of the need and utility for a more structured reporting format to consistently and completely obtain identifying data on subjects, suspects, and victims; to monitor existing and newly implemented automated systems to ensure performance at levels acceptable to the users.

Maintain a quality assurance program to assess completeness, accuracy, and timeliness of automated data, and institute procedures to enhance integrity of the data.

Develop and adopt similar/identical data base management systems and indices management software (records creation, modification, deletion, and searching) for consistency between FBIHQ and the field offices.

Develop an information system, identify user requirements, conduct feasibility studies, define system requirements, and initiate pilot projects. This information system will become unified and include electronic document management. Increase the availability of pertinent information to managers and investigators through developing information systems.

Make access to information faster and easier, which in turn will produce higher rates of return. This capability will act as an intellectual enhancement to managers and investigators who become more effective (work smarter) because they have access to better, more timely data, and communications channels.

Base Program Description: The Records Management Program is multifaceted, consisting of several distinct functional units responsible for assuring that information is maintained and available as required. A long-range plan for information management within the framework of the FBI's information architecture is essential. In the development and execution of the long-range plan, tasks normally associated with the development of an information system, such as the identification of user requirements, feasibility studies, system design review, etc., would be completed. Design reviews would be completed for any newly proposed system. Existing policy would also be reviewed and modifications for new policy as required would be formulated and presented for approval.

New systems are implemented and consistently maintained and evaluated along with existing systems. A key factor in the evaluation process would be the extent to which the user's needs are being satisfied. The existence of a large and/or complex data base would require consistent review and evaluation to insure the hardware and software components of the system are meeting performance criteria, as in the case of software searching routines for a 26-million-record file where selectivity and reliability standards must be met.

A primary mission of this program is to insure the completeness, accuracy, and timeliness of data in the automated records. Procedural changes/enhancements would be recommended where necessary, to insure the integrity of the data. This program would also be responsible for the Word Processing Center serving the entire RMD. The management of this center would include prototype testing of new procedures and equipment, user liaison, product quality assurance, and performance measurement and monitoring.

Included among the responsibilities of this area are: the maintenance of the FBI Headquarters automated mail distribution systems and file retrieval equipment; mail management; the dispatching of all outgoing FBI Headquarters mail; the maintenance of FBI Headquarters files; the consolidation and correction of FBI Headquarters records; the general index; the processing of all FBI Headquarters correspondence; implementation of records-processing procedures for FBI Headquarters correspondence; duplication matters; records disposition; and archival matters.

Additionally, this program provides for automated name searches (some name searches that require a check outside the automated data base time period would be performed manually) and file reviews of information from FBI files for authorized agencies within the Federal Government, as well as local agencies and certain foreign police and other agencies under the Name Check Program; the management and coordination of designated Department of Justice Security Programs; the protection of National Security Information and the issuance of security clearances; conducting classification reviews of documents proposed for release outside the FBI, for the purpose of safeguarding NSI; processing NSI classification appeals matters in coordination with the Department Review Committee (DRC); preparation of affidavits defending nondisclosure of NSI which is the object of litigation and or civil discovery; and a classification review of records to be accessioned to the National Archives; and responding to requests for access to FBI records as required by the Freedom of Information and Privacy Acts.

The FOI/PA Section is responsible for processing requests for access to FBI records, answering administrative appeals, preparing affidavits and declarations in response to litigation challenging the withholding of information and records not released, and training field division personnel to ensure proper handling and coordination of requests sent directly to the various Field Offices of the FBI.

**Accomplishments and Workload:** Accomplishments relating to major programs within Records Management presented below:

ITEM:	Estimates			
	1986	1987	1988	1989
Mail to be processed .....	2,487,732	2,700,000	2,900,000	3,000,000
Files requested.....	576,369	544,542	550,000	550,000
Name checks received.....	2,316,351	2,117,352	2,500,000	2,550,000
Name Checks INS.....	...	301,463	2,818,000	1,254,000
FOIPA New requests.....	12,983	13,588	13,705	13,822 (1)
Administrative appeals.....	797	808	824	871
FOIPA Request litigated.....	71	78	80	86
<b>Accomplishments:</b>				
Mail classified.....	1,611,310	1,662,331	1,700,000	1,700,000
Mail searched.....	579,584	396,840	500,000	500,000
Mail serialized.....	872,243	704,779	900,000	900,000
Mail filed.....	1,555,723	1,603,598	1,700,000	1,700,000
Mail dispatched.....	3,700,700	6,017,145	6,500,000	6,500,000
<b>Personnel Security</b>				
Investigations.....	2,280	2,124	7,350 (2)	9,850
<b>Industrial Security</b>				
Investigations.....	...	1,560	7,000 (2)	6,500

- (1) Includes requests reopened for additional search and/or processing.  
 (2) Increase due to 5-year re-investigation policy.

ITEM:	Estimates			
	1986	1987	1988	1989
Name checks handled.....	2,429,250	2,143,167	2,200,000	2,250,000
Name Checks INS.....	...	64,646	2,818,000	1,254,000
FOIPA requests handled.....	11,213	12,882	12,592	13,784
Appeals completed.....	805	793	824	871
Litigation matters completed....	111	71	85	91

OAIM accomplishments include: FOIMS implementation of 60 per cent of the field offices as of January 31, 1988; Initiatives reduced HQGI inquiry response from 40-60 sec. to 3-5 sec.; Quality Assurance procedures have been developed to insure the completeness and accuracy of HQGI and FOIMS Indices; Automated microfiche system developed as interim emergency backup to the automated HQGI; completed feasibility studies of a bar code file tracking system and a departmental office automation system to provide distributed processing; initiated a study to improve name searching techniques by use of expert systems which have linguistics capabilities; initiated feasibility studies which would allow FBI Headquarters and field offices to use existing technology to employ remote records processing procedures.

Based on the permanent injunction against FBI records destruction being vacated, the Records Management Division implemented a phased program for file destruction and accession for FBI records.

As a result of efforts by the FBI Mail Manager, changes have been made to increase the efficiency of mail processing and to reduce mail costs. Savings of \$459,803 were realized for 1987.

The Security Programs Unit has developed and implemented a Industrial Security Program and new procedures for trustworthiness investigations of both applicants and on board employees.

Program Changes:	1989 Base			1989 Estimate			Increase/Decrease		
	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount
Records Management..	1,295	1,254	\$46,289	1,155	1,114	\$45,101	-140	-140	-\$1,188

A decrease of 140 positions and workyears and \$1,188,000 will result from contracting out certain functions of this program. The activities in this program that will be studied for possible contracts with private industry include various support functions.

	1988 Enacted			1989 Base			1989 Estimate			Increase/Decrease		
	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount
Technical Field Support & Equipment.....	151	148	\$63,211	151	148	\$65,062	199	168	\$75,040	48	20	\$9,978

**Long-Range Goal:** To provide essential technical support and equipment to FBI field offices and conduct necessary research and development to maintain a level of technology sufficient to overcome criminal and terrorist adversaries.

**Major Objectives:**

- Provide centralized management of the FBI's digital voice privacy (DVP) radio system and FM radio communications system.
- To conduct research and development efforts regarding new technical capabilities applicable to the FBI's investigative missions.
- To provide FBI requirements to the research and development programs at the Defense Advanced Research Products Agency (DARPA) in order to gain the benefits of DARPA's extensive research efforts and avoid duplication of efforts.
- To provide technical expertise in the examination of electronic-related evidence, such as recordings and communications interception devices, and to provide expert court testimony relating to these examinations.
- To replace field office inventories of audio collection and recording equipment, audio analysis equipment, physical surveillance equipment, physical security and countermeasures equipment, firearms and tactical equipment, photographic equipment, crime-scene examination equipment, furniture, general office equipment, and automotive maintenance equipment as it reaches the end of its useful life.
- To provide field office personnel with sophisticated technical equipment and on-site technical support required to support the FBI's complex and demanding investigative activities.
- To insure the physical security of FBI facilities and to satisfy the requests of the Department of Justice (DOJ) and other United States Government agencies for electronic audio countermeasures.
- To initiate a major vehicle and personnel tracking program capable of meeting field requirements for tracking and surveilling multiple targets simultaneously.
- To initiate a major program to develop a capability for the court authorized interception and collection of cellular telephone conversation.



To increase recruitment efforts and provide training for Technically Trained Agents (TTAs) and electronics technicians in order to upgrade their skills and keep them current on new technology and techniques.

To construct the Engineering Research Facility (ERF) at the FBI Academy, Quantico, Virginia.

To provide and maintain safe, reliable, and effective passenger-carrying automobiles and special purpose vehicles by replacing vehicles in the most cost-effective manner.

To provide field offices with furniture, equipment, and supplies needed to conduct activities in support of investigative and administrative programs.

Base Program Description: The Technical Field Support and Equipment (TFSE) program provides technical investigative support to FBI field offices and maintains centralized management of all field equipment to maximize its use and expedite the completion of complex investigative matters. Frequently, investigative objectives can only be met with sophisticated technical support. All FBI field investigative programs are dependent upon the technical support and services provided by this program. The primary thrusts of the TFSE program are the development, design, engineering, acquisition, distribution, and installation of technical support equipment used for the successful accomplishment of the FBI's investigative mission, as well as the development of an adequate and trained staff to install, maintain, and assist in the operation of that equipment.

Accomplishments and Workload:

Digital Voice Privacy (DVP) radio system acceptances were completed in November 1987 for the Miami field office and in December 1987 for the Boston field office. The DVP system for the Indianapolis field office was installed for the World Indoor Track events and the Pan American Games. System acceptance for the Baltimore and Buffalo field offices has been initiated. System installations for San Francisco, Houston, Las Vegas and Dallas are essentially complete. A total of 22 field office radio systems have been redesigned to allow for integration. Test equipment was purchased for 33 field offices and the FBI Academy to provide the latest test equipment to the field to support maintenance of voice privacy systems.

Site preparation for the Engineering Research Facility at the FBI Academy, Quantico, Virginia, which will include the collocation of DEA technical support and research and development, was completed. The construction contract was awarded in September 1987, and construction of the facility began in November 1987. Completion of the facility is contingent on obtaining additional funding.

In November 1987, the FBI provided technical equipment and on-site assistance which was instrumental in the successful resolution of Federal prison uprisings in Atlanta, Georgia, and Oakdale, Louisiana.

On-site technical assistance and support was provided to field offices, undercover operations, and special events, including the Pan American Games at Indianapolis, Indiana. Each of the FBI's major undercover operations received some type of technical support, which included video, audio, and/or surveillance equipment. The use of such equipment continues to be vital in obtaining critical evidence necessary to support prosecution of subjects.

Eighty-five new body transmitters were deployed to FBI field offices to replace obsolete systems currently in use. The new systems provide four channel versus two channel capability and synthesized versus crystal programming of operational frequencies. The expanded capabilities enhance its use in different field environments and reduce system downtime when frequency re-programming is required. In addition, 106 less sophisticated body transmitters were deployed to FBI field offices.

Twenty vans and other vehicles were modified and converted into specialized surveillance vehicles.

Continued to provide expertise in forensic examinations of taped conversations and magnetic tape to support FBI and other Federal, State, and local law enforcement requirements. This expertise is considered to be among the best in the world. Performed examinations in 525 Bureau cases and 352 cases submitted by other Federal, State, and local law enforcement agencies.

Program Changes:	1989 Base			1989 Estimate			Increase/Decrease		
	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount
Technical Field Support & Equipment.....	151	148	\$65,062	199	168	\$75,040	48	20	\$9,978

Increases of 57 positions (29 workyears) and \$10,504,000 are requested for the TFSE program. The additional resources requested would directly support the FBI's Criminal Investigation mission, as well as the law enforcement and management improvement priorities of the President and Attorney General. Enhancements requested would provide funding needed for the lease of radio antenna tower sites for the FBI's digital voice privacy (DVP) radio system. Also requested are field electronics technicians to support the DVP system. Increased funding and staffing are requested for the electronic surveillance program. Additionally, funding is requested to purchase automobiles needed to support FBI off-site surveillance activities.

#### Leased radio antenna sites

The FBI requests \$5,115,000 for the lease of radio antenna tower and microwave repeater sites to support its radio communication networks. Approximately 3,240 leased radio sites will be required by 1989 to support total clear and voice protected radio systems. This estimate is based upon an average of 60 lease sites per field office for 54 field offices. The total number of leased sites anticipated for all 59 field offices is 3,600. However, the difference of 360 sites would not be required until 1990. The increased number of leased sites is required, primarily, as a result of the replacement of the FBI's clear voice FM radio system with a digital voice protected VHF radio system that employs microwave technology for transmission of communications. Based upon an average cost of \$2,922 per site, the FBI would need approximately \$9,468,000 in 1989 for lease sites. Existing base funding totals only \$4,353,000, leaving a difference of \$5,115,000. Microwave sharing agreements with state, local, and other Federal agencies have been achieved in eight field offices, resulting in savings of approximately \$7,000,000. During 1989, every effort would be made to achieve similar savings where possible.

#### Field electronics technicians

An increase of 27 workyears and 54 positions is requested for field electronics technicians to support current digital voice privacy (DVP) radio requirements. The additional electronics technicians are required to maintain and service field radio communications systems and other technical equipment, perform installation and/or relocation of equipment, and maintain the backbone microwave repeaters/radio antennae. The current level of FBI field electronics technicians cannot handle the additional support which would be required for a greatly expanded FBI backbone radio system architecture. The electronics technicians would install equipment, prepare sites, and perform systems maintenance.

#### Electronic surveillance

Increasingly, FBI investigations are dependent upon the collection of evidence using electronic surveillance techniques and equipment. Increased use of this technique is expected due to changes in the statute governing the use of Title III surveillances. Nonpersonnel funding totaling \$1,890,000 is requested for the electronic surveillance program which supports the collection of audio using hard wire and radio frequency microphone systems and the collection of telephone audio and dialed number information using telephone line interface equipment, more commonly referred to as pen registers.

Criminals are using commercially available countermeasures equipment to detect traditional hard-wire microphones used by the FBI and other law enforcement agencies to monitor conversations. An increase of \$300,000 would permit the purchase of fiber-optic microphone systems for use in criminal investigations. At the present time, there are no fiber-optic systems available for criminal cases. These systems would be used in those instances where targets are known to employ countermeasures equipment.

An increase of \$300,000 would permit the purchase of body-worn radio frequency transmitter systems and specially concealed radio frequency transmitter systems. These additional items are needed to meet expected demands for this type of equipment. During 1986, 150 requests for radio frequency microphone equipment were unfilled due to a lack of funding to purchase additional equipment.

An increase of \$1,290,000 would permit the purchase of 30 automatic dialed number recorder systems (ADNRS). The use of pen register equipment has grown dramatically as the FBI has increased its use of Title III court-approved surveillance against narcotics traffickers, corrupt public officials, and other criminals, creating the need for systems capable of collecting and automatically processing data obtained. The implementation of automated multiple-line and single-line equipment will make pen register operations more efficient and allow outdated equipment to be replaced. With increased funding, all field offices would be equipped with ADNRS, compared to only 30 field offices at base level. Between 80-90 percent of all single-line pen registers would have automatic data collection and processing capabilities at the increased level, compared to only 40 percent at the base level.

Signal analysis

An increase of three electronics engineer positions is requested for the Audio Processing Program. Between 1985 and 1987, the number of audio processing examinations conducted increased by 23 percent. This growth in program workload has resulted in an average turnaround time of 40 days. A backlog of 157 cases has accumulated; this is the equivalent of a 46-day workload. A four percent annual growth in requests for examinations is projected through 1990. With only existing personnel, the average turnaround time will increase to 91 days, while the backlog of cases would grow to 367. Workload indicators for the Audio Processing Program are summarized in the following table:

AUDIO PROCESSING PROGRAM WORKLOAD INDICATORS  
1986-1989

	1986	1987	1988	1989	
				Base	Request
Requests for examinations .....	1,144	823	945	985	985
Examinations completed .....	906	877	800	905	1,000
Percent .....	79%	106%	85%	92%	101%
Examinations conducted .....	20,375	17,123	16,000	18,000	20,000
Specimens Received .....	2,574	2,153	2,473	2,577	2,577
Specimens Examined .....	2,038	2,315	2,093	2,370	2,617
Percent .....	79%	107%	85%	92%	101%
Case backlog .....	238	157	302	367	287
Testimony Requested .....	38	24	30	30	33
Testimony Provided .....	38	24	30	30	33
Percent .....	100%	100%	100%	100%	100%

In order to respond on a timely basis to field office requests for audio processing assistance, three additional electronics engineers are needed. Due to the complex and specialized knowledge required to enhance and/or conduct analyses of audio recordings, a minimum of one year of intensive hands-on training is required before technicians will be able to independently perform audio analyses and enhancements. With the additional personnel, the backlog of cases would be held to a 9 percent increase due to the influx of Drug Enforcement Administration (DEA) cases and the time required to train additional electronics engineers. More progress toward reducing the backlog of cases will occur in 1990 as the new engineers become more independent. Examinations for DEA are conducted on a reimbursable basis.

Passenger carrying/other motor vehicles

Increased funding totaling \$1,186,000 is requested to purchase 87 vehicles for the Special Support Group (SSG) program, which provide off-site surveillance support to FBI investigations. This funding is needed to provide vehicles for increased SSG growth that occurred in 1986 and 1987, but for which no additional vehicle funding was provided.

Program Decreases:

Passenger carrying/other motor vehicles

A decrease of \$450,000 is requested for the TFS&E program reflecting savings the FBI believes are achievable through careful monitoring of program expenditures. These savings will be in such areas as equipment, maintenance contracts, or other nonpersonnel funding. Making these adjustments will enable the FBI to implement the program enhancements described in this section while simultaneously reducing the overall requirement for additional resources.

A decrease of nine positions and workyears and \$76,000 will result from contracting out certain functions of this program. The activities in this program that will be studied for possible contracts with private industry include various support functions.

Federal Bureau of Investigation  
Salaries and expenses  
Justification of Program and Performance  
Activity Resource Summary  
 (Dollars in thousands)

Activity: State and Local Assistance	1988 As Enacted			1989 Base			1989 Estimate			Increase/Decrease		
	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount
General Law Enforcement Training.	273	265	\$18,599	273	265	\$18,837	273	265	\$18,837	...	...	...
Forensic Services - Non-Federal..	122	119	9,182	122	119	9,348	122	119	9,348	...	...	...
Fingerprint Identification.....	2,584	2,596	87,396	2,584	2,596	89,447	2,455	2,467	94,732	-129	-129	\$5,285
Criminal Justice Data and Statistics Services.....	204	199	9,239	204	199	9,399	199	194	9,356	-5	-5	-43
<b>Total.....</b>	<b>3,183</b>	<b>3,179</b>	<b>124,416</b>	<b>3,183</b>	<b>3,179</b>	<b>127,031</b>	<b>3,049</b>	<b>3,045</b>	<b>132,273</b>	<b>-134</b>	<b>-134</b>	<b>5,242</b>

This activity supports state and local law enforcement by providing training and furnishing laboratory, identification, and informational services. The FBI National Academy, the National Crime Information Center (NCIC), and the Uniform Crime Reporting (UCR) programs are but a few of the services funded under this activity.

	<u>1988 As Enacted</u>			<u>1989 Base</u>			<u>1989 Estimate</u>			<u>Increase/Decrease</u>		
	<u>Perm. Pos.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm. Pos.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm. Pos.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm. Pos.</u>	<u>WY</u>	<u>Amount</u>
General Law Enforcement Training.....	273	265	\$18,599	273	265	\$18,837	273	265	\$18,837	...	...	...

Long-Range Goal: To improve the investigative, managerial, and technical capabilities of local, county, state, and international law enforcement personnel through research, education, and information.

Major Objectives:

- Provide training to 850 state and local law enforcement officers annually in the FBI National Academy Program.
- Participate in one sectional and 35 FBI National Academy retraining sessions for the 47 Chapters of the FBI National Academy Associates.
- Improve the investigative, managerial, and technical capabilities of criminal justice personnel by providing continually updated, short education programs at the FBI Academy, at locations throughout the United States, and at selected international sites.
- Conduct approximately 270 advanced schools annually by FBI Academy personnel in support of the Field Police Training Program (FPTP) and conduct 5,000 schools annually for 190,000 criminal justice personnel using FBI Field Police Instructors.
- Conduct research and provide evaluative, investigative, and operational assistance in areas where FBI Academy personnel have specialized expertise.
- Provide crime analysis, criminal personality profiles, and violent crime related information in order to assist local law enforcement in the resolution of major crimes of violence.
- Continue instructional emphasis on violent crime matters using existing and developing systems.
- Operate and promote the National Center for the Analysis of Violent Crime (NCAVC) to administer research, training, and investigative support programs designed to assist the law enforcement community in their understanding and investigation of unusual, bizarre, and vicious violent crimes.
- Continue to publish scholarly articles by Academy personnel on a wide variety of subjects of concern to the local law enforcement community.
- Conduct the FBI National Law Institute (NLI) for the instruction of state and local legal advisors.

Identify training needs at the state and local level through a Nationwide Law Enforcement Training Needs Assessment Program.

**Base Program Description:** The General Law Enforcement Training (GLET) mission of the FBI is achieved by the interaction of diverse programs offered at the FBI Academy and provided through the FFTP. The FBI Academy offers a wide variety of training programs which are made available at no cost to selected criminal justice personnel. The courses range from highly technical one-week programs to the eleven-week National Academy Program. President Ronald Reagan has made the following observations in discussing the accomplishments of the FBI's National Academy Program: "The National Academy is an example of Federalism at its best, enhancing the ability of state and local authorities to do their jobs. Actually, one might look at it as paying back local and state law enforcement for their day-to-day assistance in helping Federal officers make arrests, gather information, and develop cases. It is cooperation which benefits everyone. This cooperation is crucial in confronting such problems as narcotics, white-collar crimes, and crimes assisted by high technology."

The FBI Academy staff conducts research, establishes program objectives, and develops courses of instruction to meet identified training needs. As an example, the need for executive training led to the development of the National Executive Institute (NEI) in 1976, and the Law Enforcement Executive Development Seminar (LEEDS) in 1981. Both programs, in conjunction with the National Academy, help alleviate the critical lack of management training in law enforcement agencies.

In the FBI's FFTP, over 2,000 trained FBI instructors assigned to 59 FBI field offices and numerous resident agencies participate in local police training programs throughout the Nation. This training assistance at the basic level is extensive and is the backbone of FBI training assistance to local law enforcement. It is at this level of training that the rapport between local police and FBI Agents is developed, which then fosters cooperative efforts between agencies in the investigative criminal cases.

**Accomplishments and Workload:** During 1987, a total of 38,465 student training days were dedicated to the National Academy and other executive development training programs for local law enforcement managers.

Approximately 17,090 student training days were dedicated to specialized and technical programs which included 99 specialized schools, working conferences, or symposia attended by 2,350 criminal justice personnel.

Training and operational support programs continue to make a significant contribution in support of state and local efforts to combat and solve violent crimes. The NCAVC began operation in June 1985 and assists state and local law enforcement agencies in analyzing, linking, and solving violent crime cases. In 1987, the Center's Violent Criminal Apprehension Program (VICAP) processed 1,159 homicides and attempted homicides. The Criminal Investigative Analysis Program received 360 domestic cases wherein offenders were responsible for 287 homicides, 200 rapes, 102 sexual assaults, and 310 arsons. In cases received from foreign agencies, services were rendered in 14 homicides, one rape, and 30 sexual assaults. Assistance rendered required indepth analysis which resulted in 163 profiles, 77 personality assessments, 179 investigative techniques, 121 interview strategies, 31 prosecutive/trial strategies, nine testimonies, one crime scene assessment, seven crime analyses, 448 consultations (on-site, Quantico, and telephonic).



In addition to the specialized and technical training programs offered at the FBI Academy, 206 schools for 17,499 law enforcement personnel were conducted by FBI Academy instructors at state and regional training facilities.

During 1987, the FBI's FPTP included 49,844 hours of instruction at 5,198 schools attended by 166,668 local, county, and state criminal justice personnel.

An important benefit of the FBI's GLET Program, both at the FBI Academy and through our 59 field offices, is the cooperation it generates from local, county, and state law enforcement agencies.

	1988 As Enacted			1989 Base			1989 Estimate			Increase/Decrease		
	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount
Forensic Services Non-Federal...	122	119	\$9,182	122	119	\$9,348	122	119	\$9,348	...	...	...

**Long-Range Goals:** To support the non-Federal criminal justice system through a program which provides: (a) specialized forensic science training to crime laboratory personnel, (b) crime-scene training to law enforcement personnel and (c) cost free examination of evidence and necessary court testimony for agencies which do not have access to crime laboratories or in complex cases which are beyond the capability of the local laboratory.

**Major Objectives:** To fully utilize the Forensic Science Research and Training Center (FSRTC) to train additional state and local crime laboratory personnel to improve the ability of jurisdictional laboratories to keep pace with the rising forensic examination caseload.

To share the results of successful forensic science research projects with state and local crime laboratories.

To publish four editions of the "Crime Laboratory Digest" as a means for the Nation's crime laboratories to rapidly share ideas and information.

To maintain leadership in the crime laboratory community by hosting the "Annual Symposium on Crime Laboratory Development" and two additional scientific symposia and through participation in various other scientific meetings and symposia.

To provide professional and expeditious handling of approximately 6,000 requests for examination of physical evidence and spend approximately 1,300 days providing necessary expert testimony in cases submitted by state and local law enforcement agencies.

**Base Program Description:** The FSRTC uniquely combines forensic science research with forensic science training in a facility which has been designed and equipped to meet the rigorous requirements of these activities. Federal, state, and local crime laboratory and law enforcement personnel receive training in courses which have been carefully selected and developed after consultations throughout the law enforcement and crime laboratory communities. Many of the courses offered are not available

anywhere else in the United States. The research staff is augmented with visiting scientists from the academic community and other government agencies, and the training staff is augmented, as necessary, with experts from the FBI Laboratory. Training is normally conducted at the FSRTC; however, where proper training facilities exist laboratory instructors conduct specialized forensic schools in the field. Results of successful research projects are shared with the crime laboratory community.

Accomplishments and Workload: Actual and projected accomplishments for this decision unit are presented in the following table.

Item	1986	1987	Estimates	
			1988	1989
1. Forensic Science Examinations				
a. Request for Examination	6,155	5,344	6,000	6,000
b. Specimens Submitted for Examination	55,853	52,799	53,000	53,000
c. Examinations Conducted	387,148	345,843	380,000	380,000
d. Days Spent in Testimony	1,252	1,173	1,300	1,300
2. Forensic Science Training				
a. National Academy Training				
1. Courses Instructed	37	30	35	40
2. Work Hours Devoted	3,708	3,288	3,822	4,272
b. Specialized Forensic School				
1. Conferences, Seminars and Schools Held	56	47	30*	58**
2. Work Hours Devoted	23,640	17,448	14,736	24,096
c. Road Schools				
1. Schools Held	12	1	6	6
2. Work Hours Devoted	3,360	240	1,440	1,440

\* Decrease due to lack of bedspace at the FBI Academy during 1st quarter 1988 and increased enrollment of the 151st Session of the National Academy.

\*\* Increase is anticipated due to increased bedspace availability at the FBI Academy, (New Dormitory opening in the Fall of 1988).

	1988 As Enacted			1989 Base			1989 Estimate			Increase/Decrease		
	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount
Fingerprint Identification...	2,584	2,596	87,396	2,584	2,596	89,447	2,455	2,467	94,732	-129	-129	5,285

**Goal:** To provide more accurate and timely fingerprint identification and related services to Federal, state, and local criminal justice agencies, as well as other governmental agencies and entities, as mandated by Federal statutes, regulations, and executive orders.

**Major Objectives:**

To process all fingerprint cards, related documents, and name checks, while reducing response time and costs.

To increase employee productivity.

To enhance automation of work operations through research and development.

To provide state-of-the-art forensic science services and improve reporting procedures.

**Base Program Description:** The FBI is authorized to receive both criminal and noncriminal fingerprint cards from over 62,000 contributors. The list of contributors include Governmental and criminal justice agencies, as well as other entities outside the realm of law enforcement. The Fingerprint Identification Decision Unit was created in order to facilitate the channels of cooperation with law enforcement and other criminal justice agencies. The FBI provides an invaluable service to the criminal justice community by performing two primary functions: (1) it serves as the Nation's fingerprint identification index; and (2) it compiles and disseminates criminal history records of persons arrested for serious/significant offenses from fingerprint cards and disposition reports voluntarily submitted by criminal justice agencies. In addition, the FBI (1) examines and processes physical evidence submitted by Federal, state, and local law enforcement agencies for latent "crime scene" fingerprints, and provides expert testimony if necessary; (2) conducts fingerprint training schools for Federal, state, and local law enforcement personnel; (3) posts wanted and parole/probation notices to criminal history records in order to notify criminal justice agencies when there is new arrest activity against such records; (4) assists Federal, state, and local governmental authorities in the identification of unknown deceased persons, including on-site assistance at major disasters.

Timely responses are vital to the criminal justice system. Delays in processing time produce negative effects to criminal proceedings and can result in monetary losses and hardships in the employment and licensing sectors. Extensive delays in processing criminal fingerprint cards can result in the release of fugitives before their true identities are determined, interfere with criminal investigations, and impede prosecutorial, judicial, penal, and parole/probation actions. When the workload increases and personnel decreases created substantial work backlogs and delays in response time, the FBI was forced to suspend certain non-Federal applicant services in 1982. The services were restored in 1983 with the institution of the User-Fee

Program. This program runs concurrent with the processing of non-Federal applicant fingerprint cards but a fee is charged to all User-Fee submissions. This fee is used to pay the full cost of processing those fingerprint cards.

The automation of the fingerprint identification operation was a result of attempting to solve the problems experienced in the 1970s. In 1973, the FBI instituted the "Automated Identification Division System - Phase I" (AIDS-I). This initial phase involved the computerization of the criminal history records of first offenders. Another method that was being used at that time was the automatic fingerprint reading equipment. This technique involved computerizing the fingerprints stored in the FBI criminal master file. In 1979, computerized fingerprint searching was implemented on a pilot basis and has expanded until now about 95 percent of all incoming fingerprint cards requiring a fingerprint search are searched through the automated fingerprint processing system. AIDS-II initiated computerized name searching in 1979. The completion of automation of the name search file in 1986, now enables an automated name search on all incoming receipts.

In an effort to more clearly define its objectives, the System was renamed the Automated Identification System (AIS). The name AIS signifies that it is one of several systems being developed to replace manual operations and records rather than implying the complete automation of the Identification Decision Unit. In January, 1985, AIDS-III, the next phase of automation, began. This system will combine the two major automated systems into a fully integrated, high-performance network which will decrease the FBI's current processing time of about 12 days to one day. The present processing time is incompatible with the rapid on-line computer inquiries and response requirements of the National Crime Information Center's (NCIC) Interstate Identification Index (III). AIS-III will allow the FBI to support the III concept and carry out its responsibilities to the III.

**Accomplishments and Workload:** The accomplishments of the Fingerprint Identification Program are presented in the following table:

Item	Estimates			
	1986	1987	1988	1989
Fingerprint Cards				
Criminal Justice and Federal Applicant				
.. Received.....	6,282,804	6,242,363	6,430,000	6,623,000
.. Processed.....	6,184,871	6,293,522	6,049,000	6,514,000
User Fee (Non-Federal Applicant)				
.. Received.....	1,170,786	1,505,041	1,609,000	1,770,000
.. Processed.....	1,125,742	1,436,191	1,548,000	1,702,000
.. Fees Received On.....	1,038,179*	1,325,905*	1,460,000*	1,606,000*
.. Revenue Earned.....	\$13,553,757	\$17,295,145	\$20,611,000	\$21,038,000

\*All user-fee receipts are not processed because of immediate rejections (failure to comply with established procedures and/or requirements) and returns due to illegible fingerprints.

Item	1986	1987	Estimates	
			1988	1989
Immigration				
.. Name Checks on Magnetic Tape Processed.....		322,912	910,000	90,000
.. Fingerprint Cards Received and Processed.....		35,781	200,000	1,187,000
.. Revenue Earned.....		\$2,531,630	\$7,189,000	\$16,875,000
. Total All Sources				
.. Received.....	7,453,590	7,783,185	8,239,000	9,580,000
.. Processed.....	7,310,613	7,765,494	7,797,000	9,403,000
.. Revenue Earned.....	\$13,553,757	\$19,826,775	\$27,800,000	\$37,913,000
Correspondence (Name checks, etc.)				
.. Received.....	1,456,629	1,515,243	1,592,000	1,672,000
.. Processed.....	1,469,864	1,509,510	1,592,000	1,672,000
Name Checks on Magnetic Tape Processed.....	21,819	756,694	1,600,000	75,000
Expedite and Special Requests Received and Processed.....	213,539	256,795	262,000	267,000
Disposition Reports				
.. Received.....	3,163,257	4,440,354	4,574,000	4,848,000
.. Processed.....	3,022,686	4,596,108	4,574,000	4,848,000
Expungement and Purge Requests Processed.....	401,774	418,775	436,000	453,000
Nonserious Offense Fingerprint Cards Purged.....	103,387	86,546	60,000	30,000
Fugitives Identified Through Posting of Wanted Notices.....	19,199	23,615	25,000	26,000
Latent Fingerprint Cases Processed.....	15,451	15,908	16,300	16,800
Suspects Identified by Latent Fingerprint Examinations.....	3,747	2,459	3,100	3,300
Fingerprint Schools Conducted.....	176	180	175	190
III Requests Received and Processed.....	714,906	977,357	1,075,000	1,183,000
Communications Mailed.....	9,463,036	11,402,501	12,542,000	13,169,000

The User-Fee Program experienced an increase of 287,726 revenue-producing fingerprint cards and earned \$3,741,388 over the 1986 accomplishments. These funds were used to pay for 418 reimbursable workyears and other related cost of providing the service, which would have otherwise been paid for from appropriated funds.

In support of the Immigration Reform and Control Act of 1986, the FBI's Identification Decision Unit processed 322,912 name checks on magnetic tape and 35,781 fingerprint cards as reflected on the table of accomplishments for 1987. Over \$2.5 million was collected in revenue which was used to pay the full cost of providing the service.

During 1987, the FBI Disaster Squad assisted in the identification of the victims in three aircraft disasters; a hotel fire in San Juan, Puerto Rico; and the attack on the U.S.S. Stark in the Persian Gulf. There were 483 victims examined in these disasters of which 109 were identified by fingerprints.

Progress was made during 1987 on the AIS-III. Construction relative to the implementation of AIS-III was completed. The fingerprint card and document transport systems were installed and are being tested. All basic computer hardware was installed. Most workstation terminals and associated equipment were delivered. AIS-III should be operational by June, 1988.

During 1987, the FBI's Identification Decision Unit microfilmed 2,431,498 fingerprint cards which were previously maintained in archival storage. This resulted in clearing out much-needed space of 235 five-drawer filing cabinets.

Program Changes:	1989 Base			1989 Estimate			Increase/Decrease		
	Perm.			Perm.			Perm.		
	Pos.	WY	Amount	Pos.	WY	Amount	Pos.	WY	Amount

Fingerprint Identification....	2,584	2,596	89,447	2,455	2,467	94,732	-129	-129	5,285
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The funds requested will be necessary to achieve the desired results outlined in the FBI's Productivity Improvement Initiative known as the AIS Initiative. As stated in this program, the FBI is working to increase productivity of the present staff in order to process the increasing number of fingerprint cards. The approach to accomplish this effort will be: (1) implementation of AIS-III, an on-line system with automated card and document transportation; (2) development and implementation of an automated fingerprint classification system (ACS); (3) development and implementation of an automated fingerprint image retrieval system; and (4) development and implementation of a voice-activated data entry system. These projects address areas that are still manual and highly labor-intensive. The primary improvement from the AIS Initiative will be the ability to process the increased workload without significant increases in staffing. A comparably-sized staff will be able to process an additional 28 percent of work, while decreasing the time required to process a fingerprint card to one workday. This will result in a cost avoidance savings of 649 additional workyears by 1997.

The ACS is a three-phased automation effort. Phase I was completed in 1984-85, but funding requests for continuation of work in Phase II have been denied. The \$1,800,000 for ACS-Phase II would allow for the development of a classification algorithm, which is necessary in order to design and develop a prototype second generation fingerprint reader system in Phase III. ACS would eliminate the manual fingerprint classification step, thereby providing a faster response and a uniform, more accurate classification not subject to human error. The higher quality image processing the ACS reader would improve the latent system search accuracy.

The \$3,080,000 requested increase for equipment would allow for the upgrade of the five existing Automated Fingerprint Reader Systems (AFRSs) with the Bar Code Modification to install an improved Process Control Number reader at a cost of \$580,000 and to purchase two additional AFRSs for \$2,500,000. The existing AFRSs were designed to have a useful life cycle of 10 years and have been operational for over 12 years. During this time, the increases in workload processing requirements and advances in technology have made them less than totally efficient. The increased processing demands of AIS-III would make it necessary to modify the existing AFRSs and to purchase the two additional readers. Should the funding for the two AFRSs not be provided, the capacity for fingerprint card processing will be reduced by approximately 30 percent. The additional readers would be state-of-the-art equipment and would be compatible with those used by other law enforcement agencies. This would allow for further work on information exchange with other agencies.

The \$1,500,000 maintenance request is for maintaining AIS-III equipment that can only be performed by outside expert contractors. Since AIS-III is a new system, no maintenance funding has been previously designated. The FBI does not have a means for performing the necessary maintenance of the level of complexity required for this equipment.

A decrease of 129 positions and workyears and \$1,095,000 will result from contracting out certain functions of this program. The activities in this program that will be studied for possible contracts with private industry include various support functions.

	<u>1988 As Enacted</u>			<u>1989 Base</u>			<u>1989 Estimate</u>			<u>Increase/Decrease</u>		
	<u>Perm.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm.</u>	<u>WY</u>	<u>Amount</u>
Criminal Justice Data and Statistics Services.....	204	199	\$9,239	204	199	\$9,399	199	194	\$9,356	-5	-5	-\$43

**Long-Range Goal:** To generate reliable statistics for use in law enforcement administration, operation, and management, and to improve the overall effectiveness of the criminal justice system through effective handling and exchange of documented criminal justice information.

**Major Objectives:**

To provide an automated data-base system to meet the needs of criminal justice agencies on a continuous basis.

To provide a nationwide telecommunications system for the storage and dissemination of documented information concerning wanted and missing persons, stolen property, criminal histories, and laboratory comparison standards.

To coordinate meetings and facilitate informational input from the NCIC Advisory Policy Board and Regional Working Groups to insure continuation of a user-oriented management process.

To coordinate and successfully implement necessary system enhancements to meet the needs of user agencies and requirements of the criminal justice community through the year 2000.

To provide training, technical consultation, and assistance to the staff of state and local law enforcement officials for developing and maintaining accurate data and improving management strategies for compiling UCR crime statistics on a monthly, semiannual, and annual basis.

To review incoming UCR statistical reports and technical inquiries, develop quality control standards, develop uniform terminology, and exchange research ideas.

To collect, record, analyze, publish, and report detailed and comprehensive data as contained in the "Law Enforcement Officers Killed," "Assaults on Federal Officers," and the "Bomb Summary" publications.

To comply with the Congressional mandate of the Anti-Arson Act of 1982; to compile and tabulate information regarding special reports of arson, and to develop a special arson publication.

**Base Program Description:** The NCIC addresses the criminal justice community's need by providing nationwide availability of information to combat the highly mobile criminal. The availability of this information increases the opportunity to locate wanted persons at large, missing persons who might be a danger to themselves or others but who are not criminals, and stolen property which otherwise might never be returned to the rightful owner. In addition, the timely availability of Computerized Criminal History (CCH) information to prosecutors, judges, and correctional officers protects the American public by permitting fully informed decisions in the following matters: law enforcement investigation, booking and criminal processing, presentence investigation concerning flat term and minimum sentencing laws, risk classification for custody and supervision, bond decisions, parole, and probation. NCIC services are available to approximately 57,000 user agencies with varying needs. These users are geographically dispersed and operate computer equipment with different capabilities manufactured by various companies.

As part of its Long Range Automation Strategy (IRAS), the FBI intends to redesign, develop, and implement a new generation NCIC system in multiple phases that provides significant advanced and expanded functionality. The first phase of this process involves a contractual study to identify new functional requirements. The study began in January 1986 and is expected to be completed in April 1988.

The UCR Program provides direct administration over the collection and processing of crime data received from contributing agencies to insure an accurate, comprehensive, and nationwide compilation of crime-related statistics for use by all levels of



government in formulating productive programs to reduce lawlessness in American society. The FBI has maintained the UCR Program for more than 55 years due to the need for a national repository and training base for criminal statistics.

**Accomplishments and Workload:** Accomplishments of NCIC and UCR are presented in the following table:

Item	1986	1987	Estimates	
			1988	1989
<b>NATIONAL CRIME INFORMATION CENTER</b>				
NCIC Transactions.....	183,949,095	207,328,137	210,000,000	215,000,000
A. Stolen Vehicle Records Entered.....	1,160,385	1,238,086	1,250,000	1,300,000
B. Stolen Vehicle Records Cleared.....	950,828	1,087,870	1,100,000	1,140,000
C. Average Value of Vehicles.....	4,619	5,000	5,100	5,500
D. Value of recovered Vehicles.....	2,378,401,000	3,481,185,000	3,366,000,000	3,762,000,000
III Transactions.....	16,206,458	18,182,086	17,500,000	18,000,000
Training Sessions Conducted for nonFBI Personnel.....	42	46	42	63
Audit Of Control Terminal Agencies.....	22	23	22	28
* NCIC recoveries are based on an estimated 64% of recoveries in other jurisdictions and use of NCIC for identification of vehicles.				
<b>Monthly UCR Statistical</b>				
Reports Received & Processed.....	1,580,420	1,630,416	1,630,416	50,000,000**
Travel Requests for Training, Liaison, Program Development, Speeches, Meetings, and Police Schools.....	150	150	170	185
Correspondence.....	55,150	55,150	55,150	65,150
Newsletters/Bulletins.....	150,000	150,000	210,000	240,000
Publications.....	20	23	27	30

\*\* The table present data concerning the present and future performance of the UCR Program. Productivity will remain stable in 1988. However, input of data will greatly increase in 1989. The increase will be generated by the law enforcement community's compliance with the directives of the new Enhanced UCR System. This system is a change from the present summary system to an incident-by-incident type system. Law enforcement will generate a report for each criminal offense reported. With the increase of input data, UCR productivity will be forced to increase just to keep pace with the local contributors.

NCIC provides access to automated criminal history data entered into the Interstate Identification Index (III). An enhanced capability to obtain individual criminal histories was provided to NCIC users through an expanded test of the III. The NCIC, FBI

Identification Division, and 19 state agencies interconnected their criminal recordkeeping systems during 1983 and 1984 to make available the records of more than ten million offenders. Twenty states have become active participants in entering and updating their state records in the III file. Prior to the expansion of the III, only about two million records were maintained in the NCIC system. The number of available records will continue to increase by more than 15,000 per week as individuals are arrested for the first time.

On July 1, 1987, the Foreign Fugitive File was implemented. It includes both Canadian warrants and new wanted persons records for foreign fugitives entered by the U.S. National Central Bureau of the International Police Organization (INTERPOL). This file will include international terrorists and drug smugglers for whom a warrant exists. The Economic Crime Index proposal is currently under review at the top FBI executive level and should be operational in early 1990.

During the final quarter of 1987, the Uniform Crime Reporting Section received and processed over 350,000 law enforcement crime reports. The UCR Staff took part in numerous meetings regarding the Program's redesign implementation. Members generated nearly 100 pieces of correspondence and handled over 200 telephone and written requests, mainly in conjunction with the semiannual report released in October.

Meetings between the UCR staff, UCR contract employee, and Technical Services Division were conducted. Subject matter of the meetings concerned the development of the new UCR as set out by the "Blueprint for the Future of the Uniform Crime Reporting (UCR) Program." These meetings will continue until the implementation of the new system has been accomplished and details and problems have been worked out. Also, the Automated Data Capture document was provided to the South Carolina State UCR Program for redesign implementation. The test of the UCR Program for redesigned implementation was completed in the State of South Carolina. UCR staff and contract employee made several trips to South Carolina to observe this test while it was in progress. Results of the test will be presented during the Gulf Shores conference to be held during the period February 29 to March 4, 1988.

UCR training was conducted in the following states:

California            Kentucky            West Virginia  
Colorado            Nevada

In connection with the Law Enforcement Officers Killed and Assaulted Program, members of TLPD conducted three interviews of people convicted of killing law enforcement officers. These interviews took place at state prisons in North Carolina and West Virginia. To date, twenty-one interviews have been conducted.

Program Changes:	1989 Base			1989 Estimate			Increase/Decrease		
	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount
Criminal Justice Data and Statistics Services.....	204	199	\$9,399	199	194	\$9,356	-5	-5	-\$43

A decrease of five positions and workyears and \$43,000 will result from contracting out certain functions of this program. The activities in this program that will be studied for possible contracts with private industry include various support functions.

Federal Bureau of Investigation

Salaries and expenses

Justification of Program and Performance

Activity Resource Summary  
(Dollars in thousands)

Activity: Program Direction	1988 As Enacted			1989 Base			1989 Estimate			Increase/Decrease		
	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount
Executive Direction & Control...	519	550	\$26,548	519	500	\$27,049	531	505	\$27,358	12	5	\$309
Administrative Services.....	787	770	27,938	787	770	28,303	756	739	27,890	-31	-31	-413
Total.....	1,306	1,270	54,486	1,306	1,270	55,352	1,287	1,244	55,248	-19	-26	-104

This activity includes the management, administrative support, legal, planning, evaluation, inspection, and financial functions of the FBI.

	<u>1988 As Enacted</u>			<u>1989 Base</u>			<u>1989 Estimate</u>			<u>Increase/Decrease</u>		
	<u>Perm.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm.</u>	<u>WY</u>	<u>Amount</u>
	<u>Pos.</u>			<u>Pos.</u>			<u>Pos.</u>			<u>Pos.</u>		
Executive Direction and Control	519	500	\$26,548	519	500	\$27,049	531	505	\$27,358	12	5	\$309

Long-Range Goal: To provide effective leadership, management, direction, and control for the Federal Bureau of Investigation.

Major Objectives:

To provide leadership for the FBI in support of the organization's long-range goal through the promotion of high morale and efficient commitment of personnel and nonpersonnel resources.

To effectively advocate the FBI's positions with respect to all legislative proposals with the Department of Justice (DOJ), Office of Management and Budget (OMB), and the Congress; to effectively represent the interest of the FBI with respect to responses to Congressional inquiries and oversight responsibilities; to competently advise the Director and other FBI officials on matters relating to the Congress; to competently represent FBI interests with national legal organizations.

To obtain public cooperation and support in FBI investigative areas and to increase the public's awareness of FBI activities and accomplishments through news releases, feature articles, interviews, speeches, publications, radio and television appearances and announcements, correspondence, and tours.

To provide legal advice and guidance to FBI personnel in administrative and investigative matters; conduct legal training of FBI, state, and local personnel; prepare training monographs and legal articles; provide legal advice concerning civil administrative forfeitures and rule on petitions for remission or mitigation; provide legal counsel and coordinate the defense of civil litigation and administrative claims involving the FBI, its personnel, and FBI records.

To carry out audits, inspections, and evaluations of FBI's investigative and administrative programs so as to ensure their economic value and effective compliance with objectives, governing laws, rules, regulations and policy, and to ensure that FBI personnel conduct the organization's activities in a proper and professional manner.

Base Program Description:

The Director, with the advice and counsel of the FBI's Executive Assistant Directors and members of the Executive Conference, sets policy and provides leadership and direction to the organization. The Executive Assistant Directors, with the assistance of their respective staffs, transmit policy statements, guidelines, and other managerial information to the Assistant Directors, who direct the daily operations of the Headquarters divisions.

Program direction is composed of the following areas: the Budget Program which provides overall direction and control in all phases of budget and accounting functions; the Congressional Affairs Program, which seeks to effectively advocate FBI positions with respect to all legislative proposals before the Congress and to competently advise the Director and other FBI executives on matters relating to the Congress; the Public Affairs Program, which is responsible for providing the American public with a factual accounting of the FBI's programs, operations, and services on a continuing and timely basis and for sharpening the public's perception of FBI goals; the General Legal and Civil Litigation Programs, which provides legal advice and guidance to FBI management and personnel concerning all aspects of FBI operational and administrative matters, provides legal training to FBI, Drug Enforcement Administration, and state and local personnel; coordinates the defense of lawsuits and administrative claims resulting from investigative and administrative actions in the field and at FBI Headquarters; the Internal Inspections Program, which is responsible on a continuing basis for reviewing and assessing the entire operations of the FBI and is mandated to investigate and/or supervise the investigation of all allegations of criminality and serious misconduct on the part of FBI employees; and the Program Evaluations and Audits Programs, which assist managers in identifying, analyzing, and resolving organizational performance and policy issues; and conduct financial and other audits of the FBI's fiscal affairs.

**Accomplishments and Workload:** Accomplishments and workload of the Executive Direction and Control Program are presented in the following table:

Item	Estimates			
	1986	1987	1988	1989
Testimony, constituent requests, and Congressional/investigative liaison..	5,248	4,258	4,485	4,485
Law Enforcement Bulletin (LEB) (readership).....	840,000	840,000	840,000	840,000
FBI publications disseminated <sup>1</sup> .....	550,638	451,171	451,171	451,171
Tourists.....	513,846	536,294	536,294	536,294
Title III applications.....	197	206	296	355
Undercover proposals.....	186	172	226	249
Priority service projects.....	2,295	2,323	2,439	2,560
Priority research projects.....	360	253	381	420
Total number of pages reviewed for Civil Discovery <sup>2</sup> .....	1,009,302	1,051,858	1,250,000	1,250,000
Declarations of forfeiture.....	533	1,321	1,021	1,276
Petitions for remission or mitigation.....	197	306	408	550
Forfeiture consultations (field and Headquarters).....	4,000	5,600	8,000	8,000
Inspections completed.....	41	32	36	38
EEO complaints completed.....	8	4	13	13
Administrative inquiries completed.....	11	10	11	11
Investigations closed.....	412	448	475	500

<sup>1</sup> Fewer publications requested for 1987.

<sup>2</sup> Number of pages reviewed for Civil Discovery resulted in the increase of subpoenas for 1987.

Item	Estimates			
	1986	1987	1988	1989
Intelligence Oversight Board (IOB) matters closed.....	2	4	15	15
Field office audits.....	34	30	26	36
FBIHQ funds/systems audits.....	8	10	9	11
Undercover operations audits.....	17	8	12	30
GAO/DOJ liaison.....	60	60	60	60
Electronic Data Processing (EDP) audits.....	1	1	...	1
Evaluations completed.....	4	4	5	5
Studies completed.....	6	4	5	5
A-76 Studies Conducted:				
Management Studies Completed.....	...	3	...	2
Performance Workstations Completed.....	...	2	1	...
Full Cost Comparisons Completed.....	...	2	1	...
Cost Analysis Inquiries Processed.....	...	1	12	18
Confidential Funding:				
SF-1166 Preparations.....	2,197	1,125	2,350	2,350
Confidential Funding Reports.....	132	216	250	250
Field Statistics Generated:				
TURK reports (Time Utilization).....	131	131	138	144
Accomplishment Reports.....	96	96	101	105
Cash Receipts:				
Schedules of Collections.....	705	702	702	702
Schedules of Canceled Checks.....	204	136	136	136
Debit Vouchers.....	72	69	69	69
Data Entry Transactions.....				

**Program Changes:**

	1989 Base			1989 Estimate			Increase/Decrease		
	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount	Perm. Pos.	WY	Amount
Executive Direction and Control.....	519	500	\$27,049	531	505	\$27,358	12	5	\$309

An increase of two agent and three support workyears (12 positions), and \$309,000 is requested for 1989 to ensure that program direction continues to provide the FBI with effective leadership and is able to adequately address increased responsibilities.

An increase of five positions is requested for the General Legal Program for legal forfeiture operations and review. The FBI enforces 14 statutes with forfeiture provisions, several of which were recently passed, which are used to deprive drug traffickers, organized crime, and other criminals of assets used or obtained in the criminal enterprise. A legal opinion is

required for every administrative forfeiture, and rulings are made on all petitions for remission or mitigation of an administrative forfeiture. The number of forfeitures is increasing dramatically. In 1986, a total of 533 administrative forfeiture actions were reviewed. That number has increased to 1,321 in 1987 and is expected to continue to increase to 1,595 by 1990, perhaps even more. The 1987 figure was achieved only through the temporary assignment of personnel from other programs. The Department of Justice has ordered that forfeiture actions be completed within 120 days, as timely processing is necessary to protect the rights of the public, to safeguard the property, and to reduce the Government's exposure to liability. The forfeiture activities of the FBI also produce substantial revenues for the Government for use in combatting crime and for the U.S. Treasury, in addition to other funds made available to state and local law enforcement agencies. The Legal Counsel Division also produces reference materials, which are used by other Federal, state, and local agencies, and provides training for those agencies.

Five auditors are requested to conduct audits on the FBI General Ledger and other financial areas. The Audit Unit has been tasked to perform audits of the FBI General Ledger and as such would comply with the General Accounting Office's financial and compliance standard for expanded scope auditing. As stated in the Comptroller General of the United States' "Yellow Book," the audit organization must "determine (a) whether the financial statements of an audited entity present fairly the financial position and the results of financial operations in accordance with generally accepted accounting principles and (b) whether the entity has complied with laws and regulations that may have a material effect upon the financial statements." In order for the Audit Unit to render an opinion as to the fairness of the presentation of the FBI's FY 1989 financial statements preliminary audit work is currently being performed to obtain an operational understanding of the General Ledger system. In FY 1989 the actual resource intensive audit work will be conducted to determine the reliability of each General Ledger account balance with internal control and compliance reviews being performed. In addition to the General Ledger audits, these requested auditors would conduct financial and operational audits of areas such as "Reimbursements from External Agencies", "Forfeitures and Seized Property", and "Bureau Aircraft Operations."

Additionally, two auditors are being requested to conduct and report on Congressional Undercover Operations (UCOs). The number of UCOs requiring Congressional audits has increased substantially during the past few years due to an additional reporting requirement which became effective in 1984. Prior to 1984, the only requirement for submitting a detailed financial audit report of an UCO to Congress was if an operation generated gross receipts exceeding \$50,000. Since 1984, in addition to the \$50,000 (\$150,000 since 1987) gross receipts rule, a detailed audit report must also be submitted to Congress if an UCO has had expenditures exceeding \$150,000. This requirement has a major impact on the unit's workload especially due to the Administration's emphasis on narcotics and dangerous drug trafficking investigations. In compliance with the Congressional audit and reporting requirements, using actual data, the workload input has increased from one Congressional UCO audit required in 1984 to 29 UCO audits in 1987.

	<u>1988 As Enacted</u>			<u>1989 Base</u>			<u>1989 Estimate</u>			<u>Increase/Decrease</u>		
	<u>Perm. Pos.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm. Pos.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm. Pos.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm. Pos.</u>	<u>WY</u>	<u>Amount</u>
Administrative Services....	787	770	\$27,938	787	770	\$28,303	756	739	\$27,890	-31	-31	-\$413

Long-Range Goal: To provide a complete range of administrative services to maintain the FBI as a functional entity; and enhance liaison with United States and friendly foreign police and intelligence agencies.

Major Objectives:

- To recruit, process, and hire qualified minority and female special agent and support personnel.
- To provide an effective equal employment opportunity program.
- To provide safety, health, and employee assistance programs.
- To effect permanent transfers or temporary assignments as necessary to meet the overall mission of the FBI.
- To develop human resources planning, and in so doing, provide a coordinated recruitment approach to recruit experienced/qualified talent well in advance of needs; improve planning of assignments and analysis and control of personnel-related costs (e.g., turnover, relocation, training, recruitment).
- To ensure appropriate disciplinary recommendations that are timely, objective, fair, and legally sound are made with regard to FBI personnel.
- To meet all mandated requirements for pay administration, performance appraisal and merit pay, and position management for approximately 23,000 FBI employees.
- To develop valid job-related selection criteria for entry and promotional level support personnel positions.
- To provide effective procurement and supply support for all FBI activities.
- To process all property seized for forfeiture purposes in an effective manner.
- To ensure and provide maintenance, scheduling, and reporting on FBI Headquarters' automotive fleet vehicles.
- To ensure accurate and timely preparation of the FBI's biweekly payroll, prompt distribution of payroll checks, statements of earnings, and savings bonds; accurate and expeditious processing of invoices and vouchers, providing of relocation assistance for



transferred employees and their families; and the providing of research analysis and interpretation of existing travel regulations, new provisions in the regulations, and amendments thereto.

To prepare all required financial data reports related to budget execution in a timely manner.

To achieve operational readiness for FBI extraterritorial jurisdiction in terrorism incidents.

To concentrate resources on multi-national organizations involved in organized crime activities.

To expand liaison with Federal, state, and local law enforcement agencies, and with members of the intelligence community.

**Base Program Description:** The Personnel Services Program is responsible for: the administration, coordination, and policy formulation of pay administration, retirement, leave, safety, disciplinary action, employee performance, recognition, and indoctrination, applicant recruitment, processing of employee transfer matters, and compiling and reporting personnel statistical data. This program is also responsible for the administration of the Performance Appraisal and Merit Pay Systems, coordination and implementation of the Equal Employment Opportunity and Affirmative Action Programs, and Employee Assistance Program to include the Mandatory Drug Deterrence Program.

The General Services Support Program has the responsibility for: procurement and processing property seized for forfeiture purposes. This program must also provide support service functions relating to printing, warehousing, security, safety, supplies, and space needs. The Systems Support Program prepares the FBI's payroll and distributes statements of earnings, salary and expense checks, leave accounting records, and savings bonds. This program is responsible for relocation and travel matters involving FBI personnel and administering vouchers relative to the Field Support Account, Imprest Fund, and undercover operations. The Financial Management Program provides overall direction and control in all phases of accounting functions.

The Office of Liaison and International Affairs (OLIA) is responsible for effecting, maintaining, and enhancing liaison with United States and friendly foreign police and intelligence agencies in support of FBI Headquarters and field offices in their management of the FBI's growing responsibilities in investigative programs.

**Accomplishments and Workload:** Accomplishments of the Administrative Services Program are shown in the following table:

Item	Estimates			
	1986	1987	1988	1989
Staffing Actions.....	11,445	12,639	12,800	13,250
Pay Actions.....	36,390	66,501	68,500	70,750
Position Classification Actions.....	2,924	2,641	2,750	2,800
Human Resource Planning and Development Actions.....	8,088	10,720	12,500	14,500
National Applicant Recruiter Long-Range Research Projects..	1	6	19	35

Item	Estimates			
	1986	1987	1988	1989
Performance Ratings Matters Processed.....	50,354	52,927	60,400	58,040
Special Agent Transfer Actions.....	1,753	2,265	2,126	2,050
Administrative Actions Processed.....	1,208	1,348	1,363	1,446
Purchase Orders Issued.....	37,674	27,417	30,707	34,391
Forfeiture Notifications Issued.....	7,600	8,260	9,724	12,156
Property Accounting Transactions.....	109,873	55,601	86,000	90,000
Contracts Reviewed, Renewal Modifications.....	543	614	650	725
Payroll Actions Completed.....	734,521	836,643	805,656	805,656
AUO Work Cards Processed.....	112,991	124,065	119,470	119,470
Distribution of Salary Checks & Bonds.....	363,481	355,187	350,187	350,000
Distribution of Statements of Earnings.....	525,720	558,051	558,051	558,051
Relocation Services Provided.....	660	950	1,050	1,050
Relocation Invoices Audited.....	450	585	700	750
Household Goods (HHG) Shipment Requests Processed (Cost Transfers Only).....	1,043	1,360	1,500	1,500
Travel/Transportation Requests Processed.....	37,495	35,257	50,000	62,000
External Financial Reports Produced.....	104	104	104	104
Financial Plan/Funding Changes (Plan).....	1,500	1,620	1,700	1,800
Internal Management Reports Produced.....	160	220	160	325
Data Entry of Unit Transactions Processed.....	6,000	6,300	6,300	6,300
Foreign Visitors to FBIHQ.....	140	479	527	580
Foreign Executive Exchange Program.....	N/A	2	10	12
Number of regular, daily contacts established and maintained with Bureaus and agencies.....	187	233	254	275
Legat Offices Supervised.....	13	16	20	24
Washington, D.C. based Foreign Agencies Handled.....	16	19	22	25
Number of Washington, D.C. representatives of foreign agencies regularly contacted.....	30	42	45	50

A Resource Management System Personnel Task Force continues to redesign the Personnel Information Network and a field-wide survey was conducted to assess the field support personnel needs for 1987.

A state-of-the-art computerized payroll/personnel system continues to be implemented within the FBI. The Government Accounting Office has selected this system for review as a possible model for other Government agencies.

In conformance with Executive Order 12564, the FBI has instituted a Drug Deterrence Program which includes urinalysis testing for drugs of abuse. It is estimated that during FY 1989, 15,000 such tests will be conducted on applicants and on board employees.

In addition, training sessions will be conducted in regard to drug awareness for all employees; as well as courses for managers in identifying and addressing illegal drug use.

Research was conducted regarding recruiting techniques and resources and relevant data were provided to all Applicant Coordinators on a regular basis. Additionally, critically low applicant pools of linguists, engineers, computer specialists, minorities, and females have been enhanced.

To further support FBI components, over 245,000 square feet of additional space was acquired for FBIHQ and field entities.

Program Changes:

	<u>1989 Base</u>			<u>1989 Estimate</u>			<u>Increase/Decrease</u>		
	<u>Perm. Pos.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm. Pos.</u>	<u>WY</u>	<u>Amount</u>	<u>Perm Pos.</u>	<u>WY</u>	<u>Amount</u>
Administrative Services.....	787	770	\$28,303	756	739	\$27,890	-31	-31	-\$413

A decrease of 31 support workyears and \$263,000 will result from contracting out certain functions of this program. The activities in this program that will be studied for possible contracts with private industry include various support functions.

A decrease of \$150,000 is requested for the Administrative Services program reflecting savings the FBI believes are achievable through careful monitoring of program expenditures. These savings will be in such areas as equipment, maintenance contracts, or other nonpersonnel funding, etc. Making these adjustments will enable the FBI to implement the program enhancements described in this section while simultaneously reducing the overall requirement for additional resources.

FEDERAL BUREAU OF INVESTIGATIONA-76 SAVINGS  
JUSTIFICATION OF MULTI-ACTIVITY PROGRAM DECREASES  
(Dollars in thousands)Item of Decrease: A-76 Savings

<u>Decision Units</u>	<u>Permanent Positions</u>	<u>Workyears</u>	<u>Amount</u>
Training	-19	-19	-\$161
Forensic Services - Federal	-19	-19	-161
ADP & Telecommunications	-41	-41	-348
Records Management	-140	-140	-1,188
Technical Field Support and Equipment	-9	-9	-76
Fingerprint Identification	-129	-129	-1,095
Criminal Justice Data & Statistics Services	-5	-5	-43
Administrative Services	-31	-31	-263
TOTAL	<u>-393</u>	<u>-393</u>	<u>-\$3,335</u>

Base-level reductions of 393 support workyears and \$3,335,000 are planned in anticipation of savings as a result of A-76 Program reviews being conducted by the FBI. The FBI is currently conducting three A-76 Program reviews in an effort to determine if the functions in these areas could be contracted out to the private sector at a lower cost while maintaining at least the current level of efficiency and effectiveness. None of the positions under study are agent positions or are investigative in nature. These studies have not yet been completed, but the savings reflected here reflect an estimate of the savings that may actually be realized.

Federal Bureau of Investigation  
Salaries and Expenses  
Financial Analysis - Program Changes  
(Dollars in thousands)

Item	Criminal, Security, and Other Investigations									
	Other Field Program		Organized Crime		Organized Crime		Drugs		White-Collar	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
Grades										
GS/GM-14.....	27	\$1,260	6	\$280	...	...	...	...	...	...
GS/GM-13.....	91	3,595	...	...	...	...	...	...	119	\$4,701
GS-12.....	...	...	...	...	...	...	...	...	...	...
GS-11.....	...	...	...	...	...	...	...	...	...	...
GS-10.....	...	...	...	...	...	...	...	...	...	...
GS-9.....	190	4,352	26	596	...	...	79	\$1,810	62	1,420
GS-7.....	26	487	4	75	...	...	...	...	...	...
GS-5.....	90	1,360	28	423	...	...	...	...	68	1,028
Total positions and annual rates.....	424	11,054	64	1,374	...	...	79	1,810	249	7,149
Lapse (-).....	-211	-4,238	-32	-553	...	...	-39	-849	-124	-3,782
Total workyears and personnel compensation.....	213	6,816	32	821	...	...	40	961	125	3,367
Other personnel compensation.....	...	297	...	37	...	...	...	...	...	371
Personnel benefits.....	...	1,717	...	196	...	...	...	182	...	960
Travel and transportation of persons.....	...	1,723	...	34	...	-\$1,201	...	...	...	315
Transportation of things.....	...	527	...	30	...	...	...	...	...	167
GSA Rent.....	...	684	...	113	...	...	...	121	...	392
Communications, utilities, and miscellaneous charges.....	...	634	...	381	...	...	...	...	...	...
Printing and reproduction.....	...	23	...	3	...	...	...	3	...	10
Other services.....	...	8,527	...	2,789	...	-961	...	2,287	...	3,592
Supplies and materials.....	...	455	...	24	...	-703	...	19	...	129
Equipment.....	...	27,854	...	162	...	-164	...	32	...	1,432
Land and structures.....	...	...	...	...	...	...	...	...	...	...
Total workyears and obligations, 1989.....	213	\$49,257	32	\$4,590	...	-\$3,029	40	\$3,605	125	\$10,735

Federal Bureau Of Investigation  
Salaries and Expenses  
Financial Analysis - Program Changes  
(Dollars in thousands)

Item	Investigative Support									
	Training Decrease		For. Svs.-Fed. Decrease		ADP/T Increase		ADP/T Decrease		Records Mgmt Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
Grades										
GS/GM-14.....	...	...	...	...	...	...	...	...	...	...
GS/GM-13.....	...	...	...	...	...	...	...	...	...	...
GS-12.....	...	...	...	...	...	...	...	...	...	...
GS-11.....	...	...	...	...	...	...	...	...	...	...
GS-10.....	...	...	...	...	...	...	...	...	...	...
GS-9.....	...	...	...	...	40	\$916	...	...	...	...
GS-7.....	...	...	...	...	...	...	...	...	...	...
GS-5.....	-19	-\$105	-19	-\$105	...	...	-41	-\$226	-140	-\$772
Total positions and annual rates.....	-19	-105	-19	-105	40	916	-41	-226	-140	-772
Lapse (-).....	...	...	...	...	-20	-467	...	...	...	...
Total workyears and personnel compensation.	-19	-105	-19	-105	20	449	-41	-226	-140	-772
Other personnel compensation.....	...	...	...	...	...	...	...	...	...	...
Personnel benefits.....	...	-56	...	-56	...	88	...	-122	...	-416
Travel and transportation of persons.....	...	...	...	...	...	...	...	...	...	...
Transportation of things.....	...	...	...	...	...	...	...	...	...	...
GSA Rent.....	...	...	...	...	...	...	...	...	...	...
Communications, utilities, and miscellaneous charges.....	...	...	...	...	...	6,131	...	...	...	...
Printing and reproduction.....	...	...	...	...	...	2	...	...	...	...
Other services.....	...	...	...	...	...	...	...	...	...	...
Supplies and materials.....	...	...	...	...	...	15	...	...	...	...
Equipment.....	...	...	...	...	...	6,946	...	...	...	...
Land and structures.....	...	...	...	...	...	...	...	...	...	...
Total workyears and obligations, 1989.....	-19	-\$161	-19	-\$161	20	\$13,631	-41	-\$348	-140	-\$1,188

Federal Bureau Of Investigation  
Salaries and Expenses  
Financial Analysis - Program Changes  
(Dollars in thousands)

Item	Investigative Support				State and Local Assistance			
	TFS&E		TFS&E		Identification		Identification	
	Pos.	Amount	Pos.	Amount	Increase	Decrease	Increase	Decrease
Grades								
GS/GM-14.....	...	...	...	...	...	...	...	...
GS/GM-13.....	...	...	...	...	...	...	...	...
GS-12.....	...	...	...	...	...	...	...	...
GS-11.....	...	...	...	...	...	...	...	...
GS-10.....	57	\$1,580	...	...	...	...	...	...
GS-9.....	...	...	...	...	...	...	...	...
GS-7.....	...	...	...	...	...	...	...	...
GS-5.....	...	...	-9	-\$50	...	...	-129	-\$712
Total positions and annual rates.....	57	1,580	-9	-50	...	...	-129	-712
Lapse (-).....	-28	-801	...	...	...	...	...	...
Total workyears and personnel compensation.....	29	779	-9	-50	...	...	-129	-712
Other personnel compensation.....	...	...	...	...	...	...	...	...
Personnel benefits.....	...	196	...	-26	...	...	...	-383
Travel and transportation of persons.....	...	39	...	...	...	...	...	...
Transportation of things.....	...	74	...	...	...	...	...	...
GSA Rent.....	...	71	...	...	...	...	...	...
Communications, utilities, and miscellaneous charges.....	...	5,115	...	...	...	...	...	...
Printing and reproduction.....	...	2	...	...	...	...	...	...
Other services.....	...	71	...	...	...	3,300	...	...
Supplies and materials.....	...	35	...	...	...	...	...	...
Equipment.....	...	4,122	...	-450	...	3,080	...	...
Land and structures.....	...	...	...	...	...	...	...	...
Total workyears and obligations, 1989.....	29	\$10,504	-9	-\$526	...	\$6,380	-129	-\$1,095

## Federal Bureau Of Investigation

## Salaries and Expenses

Financial Analysis - Program Changes  
(Dollars in thousands)

Item	State and Local		Program Direction				TOTAL	
	Criminal Just Data & Stats.		Exec. Direct. & Control		Administrative Services		Pos.	Amount
	Decrease	Increase	Increase	Decrease	Decrease			
Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount	
Grades								
GS/GM-14.....	...	...	5	\$233	...	...	38	\$1,773
GS/GM-13.....	...	...	...	...	...	...	210	8,296
GS-12.....	...	...	...	...	...	...	...	...
GS-11.....	...	...	...	...	...	...	57	1,580
GS-10.....	...	...	...	...	...	...	...	...
GS-9.....	...	...	...	...	...	...	397	9,094
GS-7.....	...	...	...	...	...	...	30	562
GS-5.....	-5	-\$28	7	106	-31	-\$171	-200	748
Total positions and annual rates.....	-5	-28	12	339	-31	-171	532	\$22,053
Lapse (-).....	...	...	-7	-202	...	...	-461	-10,892
Total workyears and personnel compensation.	-5	-28	5	137	-31	-171	71	11,161
Other personnel compensation.....	...	...	...	12	...	...	...	717
Personnel benefits.....	...	-15	...	41	...	-92	...	2,214
Travel and transportation of persons.....	...	...	...	10	...	...	...	920
Transportation of things.....	...	...	...	10	...	...	...	808
GSA Rent.....	...	...	...	9	...	...	...	1,390
Communications, utilities, and miscellaneous charges.....	...	...	...	...	...	...	...	12,261
Printing and reproduction.....	...	...	...	...	...	...	...	43
Other services.....	...	...	...	32	...	...	...	19,637
Supplies and materials.....	...	...	...	7	...	...	...	-19
Equipment.....	...	...	...	51	...	-150	...	42,915
Land and structures.....	...	...	...	...	...	...	...	...
Total workyears and obligations, 1989.....	-5	-\$43	5	\$309	-31	-\$413	71	\$92,047



## Federal Bureau of Investigation

## Building and Facilities

Status of Construction and Summary of New Facilities Requirements  
(Dollars in thousands)

## Budget Request or Appropriation

Project	Planning and Site Acquisition		Construction		Total Funding	Total Current Cost Estimated or Actual	Current Status June 1987 Obligated to Date	Stage of Programs	Est. Comp. Date
	Fiscal Year	Amount	Fiscal Year	Amount					
I. Under Construction or fully funded:									
1. Dormitory Building									
Architectural & Engineering	1984	\$1,076			\$1,076	\$1,168	\$1,049	Construction Administration	9/88
Construction			1986	\$14,069	\$14,069	\$13,917	\$11,890	Construction	9/88
2. Electrical Distribution									
Architectural & Engineering	1984	\$135			\$135	\$135	\$131	Construction Administration	5/88
Construction			1985	\$1,088	\$1,088	\$1,105	\$832	Construction	5/88
3. Engineering Research Building									
Construction			1985	\$9,982	\$9,982	\$36,511	\$15,985	Construction	6/90
4. Removal of PCB Transformers									
Architectural & Engineering	1987	\$15			\$15	\$15	\$000	Program Development	1988
Construction			1988	\$150	\$150	\$427	\$000		1988

Federal Bureau of Investigation  
Status of Congressionally Requested  
Studies, Reports, and Evaluations

Section 502 of the Intelligence Authorization Act of 1988 mandated that the FBI and the Office of Personnel Management (OPM) conduct a study of how the high cost of living in the New York City area affects the FBI New York Office recruitment, retention, and operations. The FBI has prepared a report titled "Report on the Effect of the High Cost of Living on the New York Office of the FBI and a Plan for Remedies," to be delivered to Congress. The FBI and OPM have prepared a single joint recommendation to be submitted to the Congress. A final joint report should be submitted to Congress in March 1988.

Federal Bureau of Investigation

Salaries and expenses

Priority Rankings

<u>Program</u>	<u>Base Program</u>	<u>Ranking</u>	<u>Program</u>	<u>Program Increase</u>	<u>Ranking</u>
Executive Direction and Control		1	White-Collar Crime		1
Administrative Services		2	Other Field Programs		2
Other Field Programs		3	Drugs		3
Organized Crime		4	Organized Crime		4
Drugs		5	Automated Data Processing and Telecommunications		5
White-Collar Crime		6	Executive Direction and Control		6
Records Management		7	Technical Field Support and Equipment		7
Forensic Services - Federal		8	Fingerprint Identification		8
Technical Field Support and Equipment		9			
Automated Data Processing and Telecommunications		10			
Training		11			
Fingerprint Identification		12			
Forensic Services - Non-Federal		13			
General Law Enforcement Training		14			
Criminal Justice Data & Statistics Services		15			

Federal Bureau of Investigation  
Salaries and Expenses  
Detail of Permanent Positions by Category  
Fiscal Years 1987-1989

Category	1987 Authorized	1988 Enacted	1989		Total
			Program Decreases	Program Increases	
Criminal Investigation.....	9,554	9,554	---	236	9,790
Fingerprint Identification.....	787	787	---	---	787
General Admin. Clerical and Offices Services.....	9,135	9,135	-393	201	8,943
Other.....	2,980	2,980	---	488	3,468
<b>Total.....</b>	<b>22,456</b>	<b>22,456</b>	<b>-393</b>	<b>925</b>	<b>22,988</b>
Washington.....	7,749	7,749	-393	182	7,538 ✓
U.S. Field.....	14,635	14,635	---	721	15,356 ✓
Foreign Field.....	72	72	---	22	94
<b>Total.....</b>	<b>22,456</b>	<b>22,456</b>	<b>-393</b>	<b>925</b>	<b>22,988</b>

Federal Bureau of Investigation  
Salaries and Expenses  
Schedule of Motor Vehicles

Method of Acquisition and Type of Vehicle	End-of Year Inventory	1987			1988			1989			
		Acquired	Disposed	End-of Year	Acquired	Disposed	End-of Year	Acquired	Average Cost	Disposed	End-of Year
<b>DIRECT PURCHASE:</b>											
Limousine V	2,743	608	358	2,993	654	600	3,047	599	\$14,333	499	3,147
Large Sedan IV	2,647	710	320	3,037	544	598	2,983	510	14,333	492	3,001
Midsize Sedan III	692	124	326	490	71	61	500	80	14,333	80	500
Compact Sedan II	57	47	10	94	39	32	101	50	14,333	50	101
Subcompact Sedan 1/B											
Small Sedan 1/A											
Station Wagon W	67	17	10	74	25	20	79	32	14,333	0	111
Van V	292	44	6	330	0	0	330	20	16,722	20	330
Ambulance	1	0	0	1	0	0	1	0	0	0	1
<b>Special Purpose:</b>											
4 Wheel Drive T2	213	54	4	263	0	0	263	20	16,722	20	263
Other											
<b>Trucks:</b>											
Pickup T1	245	4	8	241	0	0	241	80	16,722	20	241
Other T3, T4	45	6	0	51	0	0	51	0	0	0	51
<b>Subtotal purchased</b>	<b>7,002</b>	<b>1,614</b>	<b>1,042</b>	<b>7,574</b>	<b>1,333</b>	<b>1,311</b>	<b>7,596</b>	<b>1,331</b>	<b>15,229</b>	<b>1,181</b>	<b>7,746</b>
<b>LEASED:</b>											
Large Sedan IV	19	37	19	37	37	37	37	37	N/A	37	37
Midsize Sedan III	34	81	34	81	81	81	81	81	N/A	81	81
Other REST	29	47	29	47	47	47	47	47	N/A	47	47
<b>Subtotal leased</b>	<b>82</b>	<b>165</b>	<b>82</b>	<b>165</b>	<b>165</b>	<b>165</b>	<b>165</b>	<b>165</b>		<b>165</b>	<b>165</b>
<b>SEIZED/EXCESS:</b>											
Limousine V	2	0	0	2	0	0	2	0	0	0	2
Large Sedan IV	100	38	11	127	27	6	148	40	0	33	155
Midsize Sedan III	161	109	27	243	78	24	297	80	0	50	327
Other REST	132	93	27	198	72	6	264	82	0	92	254
<b>Subtotal Seized/Excess</b>	<b>395</b>	<b>240</b>	<b>65</b>	<b>570</b>	<b>177</b>	<b>36</b>	<b>711</b>	<b>202</b>	<b>0</b>	<b>175</b>	<b>738</b>
<b>TOTAL ALL VEHICLES</b>	<b>7,479</b>	<b>2,019</b>	<b>1,189</b>	<b>8,309</b>	<b>1,675</b>	<b>1,512</b>	<b>8,472</b>	<b>1,698</b>		<b>1,521</b>	<b>8,649</b>

Federal Bureau of Investigation  
Schedule of Aircraft

	1986	1987			1988			1989			
	End-of-Year Inventory	Acquired	Disposed	End-of-Year	Acquired	Disposed	End-of-Year	Acquired	Average Cost	Disposed	End-of-Year
Direct Purchase:											
Fixed Wing:											
Single engine	24	17		41	3*		44	3*	\$70,000		47
Twin engine	1			1			1				1
Turbo prop	1			1			1				1
Helicopter:											
Single engine	2			2			2				2
Subtotal Purchase	28	17		45	3*		48	3*	\$70,000		51
Seized or Received as Excess:											
Fixed Wing:											
Single engine	7			7	1	2	6				6
Twin engine	14	2	3	13		6	7				7
Turbo prop	1			1			1				1
Jet engine	1			1			1				1
Subtotal Seized	23	2	3	22	1	8	15				15
Total aircraft owned:	51	19	3	67	4*	8	63	3*	\$70,000		66
Other Agencies-DOD:											
Helicopter:											
Single engine	1			1			1				1
Total Aircraft	52	19	3	68	4*	8	64	3*	\$70,000		67

\* Data for 1988 and 1989 reflect planned purchases utilizing base level funding for each year of \$221,000. These aircraft will be purchased only if the FBI is able to locate suitable used aircraft (at an approximate cost of \$70,000 each) and the funds are available from the Asset Forfeiture Fund to refurbish and retrofit the aircraft with state-of-the-art avionics and communications systems.

Federal Bureau of InvestigationSalaries and expensesSummary of Change  
(Dollars in thousands)

	<u>Pos.</u>	<u>Workyears</u>	<u>Amount</u>
1988 as enacted.....	22,456	21,973	\$1,388,492
Adjustments to base:			
Uncontrollable increases:			
Annualization of 1988 pay increase.....	...	...	17,320
Health benefits.....	...	...	4,460
Postal service increase.....	...	...	812
GSA rent.....	...	...	4,250
GSA recurring reimbursable services.....	...	...	100
Federal Telecommunications System (FTS).....	...	...	384
GPO printing costs.....	...	...	45
General pricing level adjustment.....	...	...	11,976
Other.....	<u>...</u>	<u>...</u>	<u>2,235</u>
Total, uncontrollable increases.....	...	...	41,582
Decreases:			
Reduction for two compensable days.....	...	...	-7,133
Federal Employee's Compensation Act (FECA) - Workers' Compensation.....	...	...	-402
Renovation of the New York field office.....	<u>...</u>	<u>...</u>	<u>-11,279</u>
Total, decreases.....	...	...	-18,814
1989 Base.....	22,456	21,973	1,411,260
Program changes:			
Criminal, Security, and Other Investigations.....	816	410	65,158
Investigative Support.....	-131	-179	21,751
State and Local Assistance.....	-134	-134	5,242
Program Direction.....	-19	-26	-104
Total, program changes.....	<u>532</u>	<u>71</u>	<u>92,047</u>
1989 Estimate.....	<u>22,988</u>	<u>22,044</u>	<u>\$1,503,307</u>

Federal Bureau of InvestigationSalaries and expensesJustification of Adjustments to Base  
(Dollars in thousands)

<u>Uncontrollable Increases:</u>	<u>Amount</u>
1. Annualization of 1988 Pay Increase.....	\$17,320
Public Law 100-202 authorized pay increases for civilian and military personnel to be effective at the beginning of the first pay period on or after January 1, 1988. The effective date was January 3, 1988. However, the Department was required to absorb the total pay raise in each account. The requested increase of \$17,320,000 is the amount required for the full year.	
2. Health Benefits.....	4,460
The Federal Employees Health Benefits Act (P.L. 93-246) provided that the Government's share of health insurance would be 60 percent of the total rate commencing in 1975. Effective for the first pay period after January 1, 1987, the Department's actual contribution to health insurance increased on the average of 24 percent due primarily to a flux of enrollment plan changes. The requested increase of \$4,460,000 provides funds for actual increased costs from pay period one to pay period two, projected for a full year.	
3. Postal Service.....	812
The U. S. Postal Service anticipates a rate increase from twenty-two cents to twenty-five cents for first class postage. This requested increase of \$812,000 provides for a 13.6 percent increase over the 1988 budgeted base of \$5,972,000.	
4. GSA Rent.....	4,250
In 1987, the Rent system replaces the Standard Level User Charges (SLUC) system. GSA will continue to charge rental rates that approximate those charged to commercial tenants for equivalent space and related services. An uncontrollable increase of \$4,250,000 is required to meet our commitment to GSA.	



	<u>Amount</u>
5. GSA recurring reimbursable services.....	\$100
Reimbursable payments are made to GSA for heating, ventilation, and air conditioning provided in excess of normal working hours and for guard service. GSA has estimated a 1.1 percent increase of \$100,000 in fees for these services in 1989 over the 1988 charges of \$9,077,000.	
6. Federal Telecommunications System (FTS).....	384
In 1986, the General Services Administration authorized a 16 percent increase in Federal Telecommunications System (FTS) Intercity costs. This increase is mainly due to unanticipated tariff increases. An increase of \$384,000 over the 1987 base of \$6,307,000 is requested.	
7. GPO printing costs.....	45
The Government Printing Office (GPO) is currently projecting a 3 to 4 percent increase over the 1988 printing cost of \$1,497,000. An additional \$45,000 will be required in 1989.	
8. General pricing level adjustment.....	11,976
This request applies OMB pricing guidance as of July 1987 to selected expense categories. The increased costs identified result from applying a factor of 3.7 percent against those subobject classes where the prices that the Government pays are established through the market system instead of by law or regulation. Generally, the factor is applied to supplies, materials, equipment, contracts with the private sector, transportation costs, and utilities. Excluded from the computation are categories of expense where inflation has already been built into the 1988 estimates.	
9. Other.....	2,235
Increases for food and utilities are required to support the opening of the new dormitory at the FBI Academy.	
Total uncontrollable increases.....	<u>\$41,582</u>

<u>Decreases (automatic non-policy)</u>	<u>Amount</u>
1. Reduction for two compensable days.....	-\$7,133
The annual salary rate for Federal employees is based on 260 paid days. 1989 has two fewer compensable days (260) than 1988 (262).	
2. Federal Employees' Compensation Act (FECA) - Workers' Compensation .....	402
This decrease reflects the billing provided by the Department of Labor for the actual costs in 1987 of employees' accident compensation. The 1989 amount will be \$4,368,000 or \$402,000 under the 1988 base.	
3. Nonrecurring costs - Renovation of New York Field Office.....	-11,279
The 1988 appropriation includes funding for the renovation of the New York Field Office. \$11,279,000 of this funding is being nonrecurred in 1989.	
Total decreases.....	<u>-\$18,814</u>
Total, adjustments to base.....	<u>\$22,768</u>

Federal Bureau of InvestigationSalaries and expensesSummary of Requirements by Grade and Object Class  
(Dollars in thousands)

<u>Grades and Salary Ranges</u>	<u>1987 Actual</u>		<u>1988 Estimate</u>		<u>1989 Estimate</u>		<u>Increase/Decrease</u>	
	<u>Positions &amp; Workyears</u>	<u>Amount</u>	<u>Positions &amp; Workyears</u>	<u>Amount</u>	<u>Positions &amp; Workyears</u>	<u>Amount</u>	<u>Positions &amp; Workyears</u>	<u>Amount</u>
Executive Level II, \$89,500.....	1		1		1		...	
Executive Level IV, \$77,500.....	1		1		1		...	
Executive Level V, \$72,500.....	2		2		2		...	
GS-18, \$72,500.....	20		20		20		...	
GS-17, \$72,500.....	43		43		43		...	
GS/GM-16, \$64,397- \$72,500.....	94		94		94		...	
GS/GM-15, \$54,907 - \$71,377.....	308		308		308		...	
GS/GM-14, \$46,679 - \$60,683.....	1,224		1,224		1,262		38	
GS/GM-13, \$39,501 - \$51,354.....	5,580		5,580		5,790		210	
GS-12, \$33,218 - \$43,181.....	1,284		1,284		1,284		...	
GS-11, \$27,716 - \$36,032.....	1,438		1,438		1,495		57	
GS-10, \$25,226 - \$32,795.....	894		894		894		...	
GS-9, \$22,907 - \$29,783.....	1,123		1,123		1,520		397	
GS-8, \$20,739 - \$26,958.....	400		400		400		...	
GS-7, \$18,726 - \$24,342.....	1,752		1,752		1,782		30	
GS-6, \$16,851 - \$21,909.....	1,925		1,925		1,925		...	
GS-5, \$15,118 - \$19,654.....	3,609		3,609		3,409		-200	
GS-4, \$13,513 - \$17,563.....	1,680		1,680		1,680		...	
GS-3, \$12,038 - \$15,647.....	612		612		612		...	
Ungraded Positions.....	466		466		466		...	
Total, appropriated positions....	22,456	\$672,053	22,456	\$683,481	22,988	\$723,171	532	\$39,690
Pay above stated annual rates.....	...	2,387	...	5,171	...	...	...	-5,171
Lapse.....	-1,490	-47,419	-514	-16,358	-975	-30,672	-461	-14,314
Net savings due to lower pay scales for part of the year.....	...	-6,341	...	...	...	...	...	...
Net full-time permanent.....	20,966	\$620,680	21,942	\$672,294	22,013	\$692,499	71	\$20,205

Federal Bureau of InvestigationSalaries and expensesSummary of Requirements by Grade and Object Class (continued)  
(Dollars in thousands)

<u>Grades and Salary Ranges</u>	<u>1987 Actual</u>		<u>1988 Estimate</u>		<u>1989 Estimate</u>		<u>Increase/Decrease</u>	
	<u>Workyears</u>	<u>Amount</u>	<u>Workyears</u>	<u>Amount</u>	<u>Workyears</u>	<u>Amount</u>	<u>Workyears</u>	<u>Amount</u>
Other than permanent:								
Part-time permanent.....	81	\$1,225	31	\$396	31	\$406	...	\$10
Other personnel compensation:								
Overtime.....	205	6,109	267	5,000	267	5,000	...	...
Administratively uncontro-								
rollable overtime..	2,024	53,203	2,229	57,156	2,258	57,873	29	717
Other compensation.....	66	9,346	71	3,966	71	3,966	...	...
Total, workyears and personnel compensation...	23,342	\$690,563	24,540	\$738,812	24,640	\$759,744	100	\$20,932
Average GS/CM Salary.....		(\$26,454)		(\$27,019)		(\$27,168)		
Average GS/CM Grade.....		(9.13)		(9.13)		(9.21)		

## Federal Bureau of Investigation

## Salaries and expenses

Summary of Requirements by Grade and Object Class (continued)  
(Dollars in thousands)

Object Class	1987 Actual		1988 Estimate		1989 Estimate		Increase/Decrease	
	Workyears	Amount	Workyears	Amount	Workyears	Amount	Workyears	Amount
11.1 Full-time permanent.....	20,966	\$620,680	21,942	\$672,294	22,013	\$692,499	71	\$20,205
11.3 Part-time permanent.....	81	1,225	31	396	31	406	...	10
11.5 Other personnel compensation.....	2,295	68,658	2,567	66,122	2,596	66,839	29	717
Total, workyears and personnel compensation.	23,342	\$690,563	24,540	\$738,812	24,640	\$759,744	100	\$20,932
12 Personnel benefits.....	...	118,789	...	185,149	...	192,555	...	7,406
13 Benefits to former personnel.....	...	361	...	361	...	361	...	...
21 Travel and transportation of persons.....	...	29,776	...	33,206	...	36,085	...	2,879
22 Transportation of things.....	...	6,000	...	7,525	...	8,617	...	1,092
23.1 GSA Rent.....	...	64,262	...	86,543	...	91,827	...	5,284
23.2 Rental payments to others.....	...	5,101	...	4,135	...	10,264	...	6,129
23.3 Communications, utilities and miscellaneous charges.....	...	47,373	...	58,399	...	68,596	...	10,197
24 Printing and Reproduction.....	...	2,259	...	2,435	...	2,523	...	88
25 Other services.....	...	107,628	...	99,011	...	123,206	...	24,195
26 Supplies and materials.....	...	39,842	...	35,924	...	37,459	...	1,535
31 Equipment.....	...	190,955	...	141,277	...	198,140	...	56,863
32 Lands and structures.....	...	5,071	...	997	...	...	...	-997
42 Insurance claims and indemnities.....	...	543	...	360	...	360	...	...
91 Unvouchered.....	...	...	...	70	...	70	...	...
Total Obligations.....	...	1,308,523	...	1,394,204	...	1,529,807	...	135,603
Unobligated balance, start-of-year.....	...	-47,319	...	-32,212	...	-26,500	...	5,712
Unobligated balance, end-of-year.....	...	32,212	...	26,500	...	...	...	-26,500
Unobligated balance, lapsing.....	...	4,887	...	...	...	...	...	...
Total requirements.....	...	1,298,303	...	1,388,492	...	1,503,307	...	114,815
Relation of obligations to outlays:								
Obligated balance, start-of-year.....	...	247,042	...	337,144	...	410,933	...	...
Obligated balance, end-of-year.....	...	-337,144	...	-410,933	...	-481,364	...	...
Adjustments in expired accounts.....	...	-2,367	...	...	...	...	...	...
Outlays.....	...	1,216,054	...	1,320,415	...	1,459,376	...	110

Federal Bureau of Investigation

Salaries and expenses

Consulting and Related Services  
(Dollars in thousands)

	<u>1987</u> <u>Actual</u>	<u>1988</u> <u>Estimate</u>	<u>1989</u> <u>Estimate</u>
Consulting Services.....	\$1,412	\$4,019	\$4,007

The services of consultants are obtained when either in-house staff does not possess the particular expertise or resources to conduct certain activities or when a service or project can be performed more economically by an outside academician or professional. For example, to comply with with Office of Management and Budget Circular A-76, the FBI has acquired contractor services to assist in the performance of management productivity studies. An architectural and engineering firm is being used to manage the construction of the Engineering Research Facility. The services of an expert in psycholinguistics are used to analyze coercive and extortionate communications. The FBI's Laboratory Division also uses subject-area experts, as needed, in analyzing and examining items of evidence and conducting forensic research.

The FBI also contracts with physicians to perform on-site physical examinations. Additionally, the services of qualified psychiatrists are retained to support a psychological services program available to all FBI employees and their immediate families.