

Section II

Financial Section

Overview

The Department's financial statements have been prepared to report the financial position, results of operations, net position, budgetary resources, and custodial activity of the Department pursuant to the Chief Financial Officers Act, the Government Management Reform Act of 1994, and the format requirements of OMB Circular A-136, *Financial Reporting Requirements*. This data outlines not only the costs of programs, but also the costs of achieving individual results by strategic goal. The following section provides the Statements of Net Cost by major program for the Department of Justice, and it is aligned directly with the goals and objectives in the Department's Strategic Plan and Annual Performance Plan.

Following the Chief Financial Officer's message, the Office of the Inspector General's Commentary and Summary, and the Reports of Independent Auditors, are the following statements:

Consolidated Balance Sheets – Presents resources owned or managed by the Department that are available to provide future economic benefits (assets); amounts owed by the Department that will require payments from those resources or future resources (liabilities) and residual amounts retained by the Department, comprising the difference (net position) as of September 30, 2013 and 2012.

Consolidated Statements of Net Cost – Presents the net cost of Department operations for the fiscal years ended September 30, 2013 and 2012. The Department's net cost of operations includes the gross costs incurred by the Department less any exchange revenue earned from Department activities.

Consolidated Statements of Changes in Net Position – Presents the change in the Department's net position resulting from the net cost of operations, budgetary financing sources other than exchange revenues, and other financing sources for the fiscal years ended September 30, 2013 and 2012.

Combined Statements of Budgetary Resources – Presents the budgetary resources available to the Department, the status of those resources, and the outlay of budgetary resources for the fiscal years ended September 30, 2013 and 2012.

Combined Statements of Custodial Activity – Presents the sources and disposition of non-exchange revenues collected or accrued by the Department on behalf of other recipient entities for the fiscal years ended September 30, 2013 and 2012.

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A Message from the Chief Financial Officer

December 12, 2013

I am very pleased to report that the Department has earned an unmodified financial audit opinion on its FY 2013 consolidated financial statements. For the seventh straight year, the auditor's report on internal controls over financial reporting did not identify any material weaknesses at the consolidated Department level and for the second year now no material weaknesses at the component level. The continued progress made by our financial management offices is demonstrable evidence of the Department's commitment to pursuing continual improvement in financial management practices.

The Department is fully cognizant of the economic difficulties faced by our country. We have been devoted to looking for ways to operate more efficiently in order to ensure taxpayer funds are spent wisely on the critical national security and law enforcement activities the Department performs for the nation. The Department's leadership has challenged our components to find savings across our operations, and components have responded with savings across their operations, including savings from consolidating portions of our financial audit. When we find areas where we can improve our practices, we have implemented new controls and procedures.

Among the Department's notable accomplishments this year were the successful implementation of the Department's Unified Financial Management System (UFMS) at the U.S. Marshals Service and the Assets Forfeiture Fund. Most recently, this fall the Federal Bureau of Investigation implemented UFMS, a major milestone for the Department that allowed FBI to retire a decades old legacy financial system. Building on these successful implementations provides a sound platform for continuing to improve our financial management capabilities in the future. We take our financial accountability seriously, and we take our commitment to sound agency performance and providing taxpayer value seriously. We look forward in FY 2014 to furthering our fiscal achievements as the Department continues to serve the nation and its citizens.



Lee Lofthus
Chief Financial Officer

U.S. DEPARTMENT OF JUSTICE ANNUAL FINANCIAL STATEMENTS FISCAL YEAR 2013

OFFICE OF THE INSPECTOR GENERAL COMMENTARY AND SUMMARY

This audit report contains the Annual Financial Statements of the U.S. Department of Justice (Department) for the fiscal years (FY) ended September 30, 2013, and September 30, 2012. Under the direction of the Office of the Inspector General (OIG), KPMG LLP performed the Department's audit in accordance with auditing standards generally accepted in the United States of America. Effective for FY 2013, auditing standards generally accepted in the United States of America use the term "unmodified" opinion instead of "unqualified" opinion. The definition of the two terms is substantially the same. An unmodified opinion means that the financial statements present fairly, in all material respects, the financial position and the results of the entity's operations in accordance with U.S. generally accepted accounting principles. The FY 2013 audit resulted in an unmodified opinion on the financial statements. For FY 2012, the Department received an unqualified opinion on its financial statements (OIG Audit Report No. 13-01).

KPMG LLP also issued reports on internal control over financial reporting and on compliance and other matters. The auditors did not identify any material weaknesses, nor did they report any significant deficiencies in the FY 2013 *Independent Auditors' Report on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*. During FYs 2009 through 2013, the Department made measurable progress toward implementing the Unified Financial Management System. However, it is important to note that the Department does not yet have a unified financial management system to readily support ongoing accounting operations and preparation of financial statements. As discussed in past years, we believe the most important challenge facing the Department in its financial management is to successfully implement an integrated financial management system to replace the two remaining major non-integrated legacy accounting systems used by Department components.

No instances of non-compliance or other matters that are required to be reported under *Government Auditing Standards* were identified during the audit in the FY 2013 *Independent Auditors' Report on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*. Additionally, KPMG LLP's tests disclosed no instances in which the Department's financial management systems did not substantially comply with the *Federal Financial Management Improvement Act of 1996*.

The Department's financial statements are comprised of nine reporting entities as described in Note 1.A. to the financial statements. Five of these entities (Assets Forfeiture Fund and Seized Asset Deposit Fund, U.S. Marshals Service, Federal Bureau of Investigation, Federal Bureau of Prisons, and Federal Prison Industries, Inc.) prepare separate audited annual financial statements which are available on the OIG's website shortly after issuance.

The OIG reviewed KPMG LLP's reports and related documentation and made necessary inquiries of its representatives. Our review, as differentiated from an audit in accordance with *Government Auditing Standards*, was not intended to enable us to express, and we do not express, an opinion on the Department's financial statements, conclusions about the effectiveness of internal control, conclusions on whether the Department's financial management systems substantially complied with the *Federal Financial Management Improvement Act of 1996*, or conclusions on compliance with laws and regulations and other matters. KPMG LLP is responsible for the attached auditors' reports dated December 12, 2013, and the conclusions expressed in the reports. However, our review disclosed no instances where KPMG LLP did not comply, in all material respects, with auditing standards generally accepted in the United States of America.



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Independent Auditors' Report on the Financial Statements

Inspector General
U.S. Department of Justice

United States Attorney General
U.S. Department of Justice

We have audited the accompanying consolidated financial statements of the U.S. Department of Justice (Department) which comprise the consolidated balance sheets as of September 30, 2013 and 2012, and the related consolidated statements of net cost, and changes in net position, and the combined statements of budgetary resources and custodial activity (hereinafter referred to as "consolidated financial statements") for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits and the reports of other auditors. We did not audit the fiscal year 2012 financial statements of the following components of the Department: the U.S. Marshals Service (USMS); the Federal Prison Industries, Inc. (FPI); and the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF), which statements reflect total assets of \$2.0 billion, and total net costs of \$2.9 billion as of and for the year ended September 30, 2012. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for those components, is based solely on the reports of the other auditors. We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 14-02, *Audit Requirements for Federal Financial Statements*. Those standards and OMB Bulletin No. 14-02 require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also



includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained, based on our audits and the reports of the other auditors, is sufficient and appropriate to provide a basis for our audit opinion.

Opinion on the Financial Statements

In our opinion, based on our audits and the reports of other auditors, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the U.S. Department of Justice as of September 30, 2013 and 2012, and its net costs, changes in net position, budgetary resources, and custodial activity for the years then ended in accordance with U.S. generally accepted accounting principles.

Emphasis of Matters

As discussed in Note 1.V to the consolidated financial statements, the Department adopted Statement of Federal Financial Accounting Standards No. 43, *Funds from Dedicated Collections: Amending Statement of Federal Financial Accounting Standards No. 27, Identifying and Reporting Earmarked Funds*, effective October 1, 2012. The fiscal year 2012 consolidated financial statements have been adjusted for the retrospective application of the new accounting guidance. Our opinion is not modified with respect to this matter.

As discussed in Note 26 to the consolidated financial statements, the Department has elected to change its capitalization thresholds for real property, personal property, and internal use software, effective October 1, 2012. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require that the information in the Management's Discussion and Analysis, Required Supplementary Information, and Required Supplementary Stewardship Information sections be presented to supplement the consolidated financial statements. Such information, although not a part of the consolidated financial statements, is required by the Federal Accounting Standards Advisory Board who considers it to be an essential part of financial reporting for placing the consolidated financial statements in an appropriate operational, economic, or historical context. We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the consolidated financial statements, and other knowledge we obtained during our audits of the consolidated financial statements. We and the other auditors do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



Other Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information, Combined Schedule of Spending, and the information in the Introduction, Management Section and Appendices is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information has not been subjected to the auditing procedures applied in the audits of the consolidated financial statements, and accordingly, we and the other auditors do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our fiscal year 2013 report dated December 12, 2013 on our consideration of the Department's internal control over financial reporting, and our fiscal year 2013 report dated December 12, 2013 on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of those reports is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Department's internal control over financial reporting and compliance.

KPMG LLP

December 12, 2013

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Independent Auditors' Report on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Inspector General
U.S. Department of Justice

United States Attorney General
U.S. Department of Justice

We have audited, in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 14-02, *Audit Requirements for Federal Financial Statements*, the consolidated financial statements of the U.S. Department of Justice (Department), which comprise the consolidated balance sheets as of September 30, 2013 and 2012, and the related consolidated statements of net cost, and changes in net position, and the combined statements of budgetary resources and custodial activity (hereinafter referred to as "consolidated financial statements") for the years then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated December 12, 2013. We did not audit the fiscal year 2012 financial statements of the following components of the Department: the U.S. Marshals Service (USMS); the Federal Prison Industries, Inc. (FPI); and the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) as of and for the year ended September 30, 2012. Those financial statements were audited by other auditors whose reports have been furnished to us, and our report, insofar as it relates to the amounts included for those components, is based solely on the reports of the other auditors. As discussed in Note 1.V to the consolidated financial statements, the Department adopted Statement of Federal Financial Accounting Standards No. 43, *Funds from Dedicated Collections: Amending Statement of Federal Financial Accounting Standards No. 27, Identifying and Reporting Earmarked Funds*, effective October 1, 2012. The fiscal year 2012 consolidated financial statements have been adjusted for the retrospective application of the new accounting guidance. Our opinion is not modified with respect to this matter. Also, as discussed in Note 26 to the consolidated financial statements, the Department has elected to change its capitalization thresholds for real property, personal property, and internal use software, effective October 1, 2012. Our opinion is not modified with respect to this matter.

Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements as of and for the year ended September 30, 2013, we considered the Department's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control. Accordingly, we do not express an opinion on the effectiveness of the Department's internal control. We did not test all internal controls relevant to operating objectives as broadly defined by the *Federal Managers' Financial Integrity Act of 1982*.



Independent Auditors' Report on Internal Control over Financial Reporting
Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards*
Page 2 of 2

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and the results of that testing, and not to provide an opinion on the effectiveness of the Department's internal control. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Department's internal control. Accordingly, this communication is not suitable for any other purpose.

KPMG LLP

December 12, 2013



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Independent Auditors' Report on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Inspector General
U.S. Department of Justice

United States Attorney General
U.S. Department of Justice

We have audited, in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 14-02, *Audit Requirements for Federal Financial Statements*, the consolidated financial statements of the U.S. Department of Justice (Department), which comprise the consolidated balance sheets as of September 30, 2013 and 2012, and the related consolidated statements of net cost, and changes in net position, and the combined statements of budgetary resources and custodial activity (hereinafter referred to as "consolidated financial statements") for the years then ended and the related notes to the consolidated financial statements, and have issued our report thereon dated December 12, 2013. We did not audit the fiscal year 2012 financial statements of the following components of the Department: the U.S. Marshals Service (USMS); the Federal Prison Industries, Inc. (FPI); and the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) as of and for the year ended September 30, 2012. Those financial statements were audited by other auditors whose reports have been furnished to us, and our report, insofar as it relates to the amounts included for those components, is based solely on the reports of the other auditors. As discussed in Note 1.V to the consolidated financial statements, the Department adopted Statement of Federal Financial Accounting Standards No. 43, *Funds from Dedicated Collections: Amending Statement of Federal Financial Accounting Standards No. 27, Identifying and Reporting Earmarked Funds*, effective October 1, 2012. The fiscal year 2012 consolidated financial statements have been adjusted for the retrospective application of the new accounting guidance. Our opinion is not modified with respect to this matter. Also, as discussed in Note 26 to the consolidated financial statements, the Department has elected to change its capitalization thresholds for real property, personal property, and internal use software, effective October 1, 2012. Our opinion is not modified with respect to this matter.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Department's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts, and certain provisions of other laws and regulations specified in OMB Bulletin No. 14-02. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests of compliance disclosed no instances of noncompliance or other matters that are required to be reported herein under *Government Auditing Standards* or OMB Bulletin No. 14-02.



Independent Auditors' Report on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards*
Page 2 of 2

We also performed tests of its compliance with certain provisions referred to in Section 803(a) of the *Federal Financial Management Improvement Act of 1996* (FFMIA). Providing an opinion on compliance with FFMIA was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests of FFMIA disclosed no instances in which the Department's financial management systems did not substantially comply with the (1) federal financial management system requirements, (2) applicable federal accounting standards, and (3) application of the United States Government Standard General Ledger at the transaction level.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on the Department's compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Department's compliance. Accordingly, this communication is not suitable for any other purpose.

KPMG LLP

December 12, 2013

Principal Financial Statements and Related Notes

See Independent Auditors' Report on the Financial Statements

U. S. Department of Justice
Consolidated Balance Sheets
As of September 30, 2013 and 2012

Dollars in Thousands	2013	2012
ASSETS (Note 2)		
Intragovernmental		
Fund Balance with U.S. Treasury (Note 3)	\$ 23,226,071	\$ 24,745,298
Investments, Net (Note 5)	6,650,960	6,213,903
Accounts Receivable, Net (Note 6)	452,327	324,327
Other Assets (Note 10)	92,370	266,573
Total Intragovernmental	30,421,728	31,550,101
Cash and Monetary Assets (Note 4)	174,798	260,682
Accounts Receivable, Net (Note 6)	81,892	115,612
Inventory and Related Property, Net (Note 7)	132,814	166,609
Forfeited Property, Net (Note 8)	141,354	145,111
General Property, Plant and Equipment, Net (Note 9)	10,017,323	10,186,144
Advances and Prepayments	444,174	760,870
Other Assets (Note 10)	4,677	5,585
Total Assets	\$ 41,418,760	\$ 43,190,714
LIABILITIES (Note 11)		
Intragovernmental		
Accounts Payable	\$ 339,253	\$ 302,575
Accrued Federal Employees' Compensation Act Liabilities	266,865	260,652
Custodial Liabilities (Note 21)	1,174,698	1,114,298
Other Liabilities (Note 15)	204,056	368,713
Total Intragovernmental	1,984,872	2,046,238
Accounts Payable	4,203,261	4,108,056
Accrued Grant Liabilities	387,629	604,119
Actuarial Federal Employees' Compensation Act Liabilities	1,632,616	1,474,278
Accrued Payroll and Benefits	269,621	653,909
Accrued Annual and Compensatory Leave Liabilities	826,369	838,252
Environmental and Disposal Liabilities (Note 12)	76,676	74,441
Deferred Revenue	621,440	556,464
Seized Cash and Monetary Instruments (Note 14)	1,485,687	1,587,167
Contingent Liabilities (Note 16)	26,571	28,671
Capital Lease Liabilities (Note 13)	8,763	17,096
Radiation Exposure Compensation Act Liabilities (Note 25)	660,465	731,237
September 11 th Victim Compensation Fund (Note 25)	2,751,712	2,766,400
Other Liabilities (Note 15)	411,311	455,657
Total Liabilities	\$ 15,346,993	\$ 15,941,985
NET POSITION		
Unexpended Appropriations - Funds from Dedicated Collections (Note 17)	\$ 35,768	\$ 25,963
Unexpended Appropriations - All Other Funds	8,649,121	10,568,815
Cumulative Results of Operations - Funds from Dedicated Collections (Note 17)	11,940,472	10,949,539
Cumulative Results of Operations - All Other Funds	5,446,406	5,704,412
Total Net Position	\$ 26,071,767	\$ 27,248,729
Total Liabilities and Net Position	\$ 41,418,760	\$ 43,190,714

The accompanying notes are an integral part of these financial statements.

U. S. Department of Justice
Consolidated Statements of Net Cost
For the Fiscal Years Ended September 30, 2013 and 2012

Dollars in Thousands

	FY	Gross Costs			Less: Earned Revenues			Net Cost of Operations (Note 18)
		Intra-governmental	With the Public	Total	Intra-governmental	With the Public	Total	
Goal 1	2013	\$ 1,353,549	\$ 3,940,664	\$ 5,294,213	\$ 399,097	\$ 16,391	\$ 415,488	\$ 4,878,725
	2012	\$ 1,426,981	\$ 4,300,297	\$ 5,727,278	\$ 439,321	\$ 30,912	\$ 470,233	\$ 5,257,045
Goal 2	2013	3,649,282	11,371,420	15,020,702	712,127	720,450	1,432,577	13,588,125
	2012	3,361,356	16,698,326	20,059,682	468,597	646,666	1,115,263	18,944,419
Goal 3	2013	2,325,612	11,623,920	13,949,532	665,460	599,892	1,265,352	12,684,180
	2012	2,729,014	12,794,400	15,523,414	867,132	663,176	1,530,308	13,993,106
Total	2013	<u>\$ 7,328,443</u>	<u>\$ 26,936,004</u>	<u>\$ 34,264,447</u>	<u>\$ 1,776,684</u>	<u>\$ 1,336,733</u>	<u>\$ 3,113,417</u>	<u>\$ 31,151,030</u>
	2012	<u>\$ 7,517,351</u>	<u>\$ 33,793,023</u>	<u>\$ 41,310,374</u>	<u>\$ 1,775,050</u>	<u>\$ 1,340,754</u>	<u>\$ 3,115,804</u>	<u>\$ 38,194,570</u>

- Goal 1 Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law
Goal 2 Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law
Goal 3 Ensure and Support the Fair, Impartial, Efficient, and Transparent Administration of Justice at the Federal, State, Local, Tribal, and International Levels

The accompanying notes are an integral part of these financial statements.

U. S. Department of Justice
Consolidated Statements of Changes in Net Position
For the Fiscal Year Ended September 30, 2013

Dollars in Thousands

	2013			
	Funds from Dedicated Collections	All Other Funds	Eliminations	Total
Unexpended Appropriations				
Beginning Balances	\$ 25,963	\$ 10,568,815	\$ -	\$ 10,594,778
Budgetary Financing Sources				
Appropriations Received	80,267	28,042,760	-	28,123,027
Appropriations Transferred-In/Out	5,343	250,502	-	255,845
Other Adjustments	(3,419)	(2,547,144)	-	(2,550,563)
Appropriations Used	(72,386)	(27,665,812)	-	(27,738,198)
Total Budgetary Financing Sources	9,805	(1,919,694)	-	(1,909,889)
Unexpended Appropriations	\$ 35,768	\$ 8,649,121	\$ -	\$ 8,684,889
Cumulative Results of Operations				
Beginning Balances	\$ 10,949,539	\$ 5,704,412	\$ -	\$ 16,653,951
Adjustments (Note 26)				
Changes in Accounting Principles	(2,091)	(272,557)	-	(274,648)
Beginning Balances, as Adjusted	10,947,448	5,431,855	-	16,379,303
Budgetary Financing Sources				
Other Adjustments	-	(26,000)	-	(26,000)
Appropriations Used	72,386	27,665,812	-	27,738,198
Nonexchange Revenues	1,496,030	322	-	1,496,352
Donations and Forfeitures of Cash and Cash Equivalents	1,826,480	-	-	1,826,480
Transfers-In/Out Without Reimbursement	-	140,230	-	140,230
Other Financing Sources				
Donations and Forfeitures of Property	185,769	3	-	185,772
Transfers-In/Out Without Reimbursement	(7,280)	9,360	-	2,080
Imputed Financing from Costs Absorbed by Others (Note 19)	15,218	807,510	(21,069)	801,659
Other Financing Sources	-	(6,166)	-	(6,166)
Total Financing Sources	3,588,603	28,591,071	(21,069)	32,158,605
Net Cost of Operations	(2,595,579)	(28,576,520)	21,069	(31,151,030)
Net Change	993,024	14,551	-	1,007,575
Cumulative Results of Operations	\$ 11,940,472	\$ 5,446,406	\$ -	\$ 17,386,878
Net Position	\$ 11,976,240	\$ 14,095,527	\$ -	\$ 26,071,767

The accompanying notes are an integral part of these financial statements.

U. S. Department of Justice
Consolidated Statements of Changes in Net Position
For the Fiscal Year Ended September 30, 2012

Dollars in Thousands

	2012			
	Funds from Dedicated Collections	All Other Funds	Eliminations	Total
Unexpended Appropriations				
Beginning Balances	\$ 21,727	\$ 11,952,581	\$ -	\$ 11,974,308
Budgetary Financing Sources				
Appropriations Received	72,044	27,621,645	-	27,693,689
Appropriations Transferred-In/Out	-	330,471	-	330,471
Other Adjustments	-	(152,761)	-	(152,761)
Appropriations Used	(67,808)	(29,183,121)	-	(29,250,929)
Total Budgetary Financing Sources	4,236	(1,383,766)	-	(1,379,530)
Unexpended Appropriations	\$ 25,963	\$ 10,568,815	\$ -	\$ 10,594,778
Cumulative Results of Operations				
Beginning Balances	\$ 9,066,816	\$ 8,482,489	\$ -	\$ 17,549,305
Budgetary Financing Sources				
Other Adjustments	-	(40,000)	-	(40,000)
Appropriations Used	67,808	29,183,121	-	29,250,929
Nonexchange Revenues	2,802,985	975	-	2,803,960
Donations and Forfeitures of Cash and Cash Equivalents	4,194,465	-	-	4,194,465
Transfers-In/Out Without Reimbursement	-	109,395	-	109,395
Other Financing Sources				
Donations and Forfeitures of Property	120,245	30	-	120,275
Transfers-In/Out Without Reimbursement	(149,908)	137,285	-	(12,623)
Imputed Financing from Costs Absorbed by Others (Note 19)	15,446	887,286	(24,718)	878,014
Other Financing Sources	-	(5,199)	-	(5,199)
Total Financing Sources	7,051,041	30,272,893	(24,718)	37,299,216
Net Cost of Operations	(5,168,318)	(33,050,970)	24,718	(38,194,570)
Net Change	1,882,723	(2,778,077)	-	(895,354)
Cumulative Results of Operations	\$ 10,949,539	\$ 5,704,412	\$ -	\$ 16,653,951
Net Position	\$ 10,975,502	\$ 16,273,227	\$ -	\$ 27,248,729

The accompanying notes are an integral part of these financial statements.

U. S. Department of Justice
Combined Statements of Budgetary Resources
For the Fiscal Years Ended September 30, 2013 and 2012

Dollars in Thousands	2013	2012
Budgetary Resources:		
Unobligated Balance, Net, Brought Forward, October 1	\$ 4,036,432	\$ 3,882,323
Recoveries of Prior Year Unpaid Obligations	1,029,004	877,535
Other Changes in Unobligated Balance	<u>(18,946)</u>	<u>(12,383)</u>
Unobligated Balance from Prior Year Budget Authority, Net	5,046,490	4,747,475
Appropriations (discretionary and mandatory)	29,174,293	33,346,750
Spending Authority from Offsetting Collections (discretionary and mandatory)	<u>5,275,914</u>	<u>7,193,483</u>
Total Budgetary Resources	<u>\$ 39,496,697</u>	<u>\$ 45,287,708</u>
Status of Budgetary Resources:		
Obligations Incurred (Note 20)	35,501,730	41,251,276
Unobligated Balance, End of Period:		
Apportioned	2,757,986	2,730,163
Exempt from Apportionment	266,607	218,191
Unapportioned	<u>970,374</u>	<u>1,088,078</u>
Total Unobligated Balance - End of Period	<u>3,994,967</u>	<u>4,036,432</u>
Total Status of Budgetary Resources	<u>\$ 39,496,697</u>	<u>\$ 45,287,708</u>
Change in Obligated Balance:		
Unpaid Obligations:		
Unpaid obligations, Brought Forward, October 1	\$ 16,930,377	\$ 16,676,653
Obligations Incurred	35,501,730	41,251,276
Outlays, Gross (-)	(36,605,083)	(40,120,017)
Recoveries of Prior Year Unpaid Obligations (-)	<u>(1,029,004)</u>	<u>(877,535)</u>
Unpaid Obligations, End of Period	<u>14,798,020</u>	<u>16,930,377</u>
Uncollected Payments:		
Uncollected Payments from Federal Sources, Brought Forward, October 1 (-)	(1,890,361)	(1,790,659)
Change in Uncollected Customer Payments from Federal Sources	<u>223,456</u>	<u>(99,702)</u>
Uncollected Customer Payments from Federal Sources	<u>(1,666,905)</u>	<u>(1,890,361)</u>
Memorandum (non-add) Entries:		
Obligated balance, Start of Period	<u>\$ 15,040,016</u>	<u>\$ 14,885,994</u>
Obligated balance, End of Period	<u>\$ 13,131,115</u>	<u>\$ 15,040,016</u>
Budgetary Authority and Outlays, Net:		
Budgetary Authority, Gross (discretionary and mandatory)	\$ 34,450,207	\$ 40,540,233
Less: Actual Offsetting Collections (discretionary and mandatory)	5,499,369	7,093,777
Change in Uncollected Customer Payments from Federal Sources (discretionary and mandatory)	223,456	(99,702)
Budget Authority, Net (discretionary and mandatory)	<u>\$ 29,174,294</u>	<u>\$ 33,346,754</u>
Outlays, Gross (discretionary and mandatory)	\$ 36,605,083	\$ 40,120,017
Less: Actual Offsetting Collections (discretionary and mandatory)	<u>5,499,369</u>	<u>7,093,777</u>
Outlays, Net (discretionary and mandatory)	31,105,714	33,026,240
Less: Distributed Offsetting Receipts	<u>933,877</u>	<u>1,425,127</u>
Agency Outlays, Net (discretionary and mandatory)	<u>\$ 30,171,837</u>	<u>\$ 31,601,113</u>

The accompanying notes are an integral part of these financial statements.

U. S. Department of Justice
Combined Statements of Custodial Activity
For the Years Ended September 30, 2013 and 2012

Dollars in Thousands	2013	2012
Revenue Activity		
Sources of Cash Collections		
Delinquent Federal Civil Debts as Required by the Federal Debt Recovery Act of 1986	\$ 5,595,261	\$ 6,995,798
Fees and Licenses	43,392	36,710
Fines, Penalties and Restitution Payments - Civil	86,845	21,554
Fines, Penalties and Restitution Payments - Criminal	42,603	39,970
Miscellaneous	42,030	4,619
Total Cash Collections	5,810,131	7,098,651
Accrual Adjustments	(914)	(1,405)
Total Custodial Revenue	5,809,217	7,097,246
Disposition of Collections		
Transferred to Federal Agencies		
Library of Congress	(509)	-
U.S. Department of Agriculture	(136,258)	(105,670)
U.S. Department of Commerce	(6,000)	(3,746)
U.S. Department of the Interior	(36,174)	(129,015)
U.S. Department of Justice	(99,558)	(21,085)
U.S. Department of Labor	(3,897)	(9,175)
U.S. Postal Service	(26,790)	(7,675)
U.S. Department of State	(2,208)	(26,613)
U.S. Department of the Treasury	(2,025,807)	(917,662)
Office of Personnel Management	(43,447)	(157,714)
National Credit Union Administration	(1)	-
Federal Communications Commission	(757)	(310)
Social Security Administration	(699)	(921)
Smithsonian Institution	(8)	(8)
U.S. Department of Veterans Affairs	(123,179)	(125,354)
Equal Employment Opportunity Commission	(2)	-
General Services Administration	(51,966)	(130,087)
Securities and Exchange Commission	(3)	(411)
Federal Deposit Insurance Corporation	(419)	(59)
Railroad Retirement Board	(414)	(288)
Tennessee Valley Authority	(291)	(8)
Environmental Protection Agency	(185,060)	(189,137)
U.S. Department of Transportation	(5,185)	(13,674)
U.S. Department of Homeland Security	(131,067)	(66,585)
Agency for International Development	(44,212)	(511)
Small Business Administration	(14,792)	(6,371)
U.S. Department of Health and Human Services	(1,151,278)	(1,283,167)
National Aeronautics and Space Administration	(5,288)	(725)
Export-Import Bank of the United States	(13,855)	(17,264)
U.S. Department of Housing and Urban Development	(24,226)	(1,129,547)
National Archives & Records Administration	-	(29)
U.S. Department of Energy	(10,585)	(3,313)
U.S. Department of Education	(23,219)	(14,452)
Independent Agencies	(114,607)	(63,619)
Treasury General Fund	(676,060)	(705,503)
U.S. Department of Defense	(120,707)	(217,607)
Transferred to the Public	(416,166)	(508,622)
(Increase)/Decrease in Amounts Yet to be Transferred	(51,378)	(566,077)
Refunds and Other Payments	(104,834)	(513,185)
Retained by the Reporting Entity	(158,311)	(162,057)
Total Disposition of Collections	(5,809,217)	(7,097,246)
Net Custodial Activity (Note 21)	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The Department of Justice (Department) has a wide range of responsibilities which include: detecting, apprehending, prosecuting, and incarcerating criminal offenders; operating federal prison factories; upholding the civil rights of all Americans; enforcing laws to protect the environment; ensuring healthy competition of business in the United States' free enterprise system; safeguarding the consumer from fraudulent activity; carrying out the immigration laws of the United States; and representing the American people in all legal matters involving the U.S. Government. Under the direction of the Attorney General, these responsibilities are discharged by the components of the Department.

For purposes of these consolidated/combined financial statements, the following components comprise the Department's reporting entity:

- Assets Forfeiture Fund and Seized Asset Deposit Fund (AFF/SADF)
- Offices, Boards and Divisions (OBDs)
- U.S. Marshals Service (USMS)
- Office of Justice Programs (OJP)
- Drug Enforcement Administration (DEA)
- Federal Bureau of Investigation (FBI)
- Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
- Bureau of Prisons (BOP)
- Federal Prison Industries, Inc. (FPI)

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

B. Basis of Presentation

These financial statements have been prepared from the books and records of the Department in accordance with United States generally accepted accounting principles issued by the Federal Accounting Standards Advisory Board (FASAB) and presentation guidelines in the Office of Management and Budget (OMB) Circular A-136, *Financial Reporting Requirements*. These financial statements are different from the financial reports prepared pursuant to OMB directives which are used to monitor and control the use of the Department's budgetary resources. The accompanying financial statements include the accounts of all funds under the Department's control. To ensure that the Department financial statements are meaningful at the entity level and to enhance reporting consistency within the Department, Inventory and Related Property, Other Assets, and Other Liabilities, as defined by OMB Circular A-136, have been disaggregated on the Consolidated Balance Sheets. These include Forfeited Property, Net; Advances and Prepayments; Accrued Grant Liabilities; Accrued Federal Employees' Compensation Act (FECA) Liabilities; Custodial Liabilities; Accrued Payroll and Benefits; Accrued Annual and Compensatory Leave Liabilities; Deferred Revenue; Seized Cash and Monetary Instruments; Contingent Liabilities; Capital Lease Liabilities; Radiation Exposure Compensation Act (RECA) Liabilities; and September 11th Victim Compensation Fund Liabilities.

C. Basis of Consolidation

The consolidated/combined financial statements of the Department include the accounts of the AFF/SADF, OBDs, USMS, OJP, DEA, FBI, ATF, BOP, and FPI. All significant proprietary intra-departmental transactions and balances have been eliminated in consolidation. The Statements of Budgetary Resources and Statements of Custodial Activity are combined statements for FYs 2013 and 2012, and as such, intra-departmental transactions have not been eliminated.

D. Basis of Accounting

Transactions are recorded on the accrual and budgetary bases of accounting. Under the accrual basis, revenues are recorded when earned and expenses are recorded when incurred, regardless of when cash is exchanged. Under the budgetary basis, however, funds availability is recorded based upon legal considerations and constraints. As a result, certain line items on the proprietary financial statements may not equal similar line items on the budgetary financial statements. FPI is non-appropriated and self-sustaining. While FPI performs budgetary accounting in preparing its financial statements, FPI does not record budgetary information at the transaction level.

Custodial activity reported on the Combined Statements of Custodial Activity is prepared on the modified cash basis. Civil and Criminal Debt Collections are recorded when the Department receives payment from debtors. Accrual adjustments are made related to collections of fees and licenses.

The financial statements should be read with the realization that they are for a component of the U.S. Government, a sovereign entity. One implication of this is that liabilities cannot be liquidated without legislation that provides resources and legal authority to do so.

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

E. Non-Entity Assets

Non-entity assets are not available for use by the Department and consist primarily of restricted undisbursed civil and criminal debt collections, seized cash, accounts receivable, and other monetary assets.

F. Fund Balance with U.S. Treasury and Cash

Funds with the Department of the Treasury (Treasury) represent primarily appropriated, revolving, and trust funds available to pay current liabilities and finance future authorized purchases. The Treasury, as directed by authorized certifying officers, processes cash receipts and disbursements. The Department does not, for the most part, maintain cash in commercial bank accounts. Certain receipts, however, are processed by commercial banks for deposit into individual accounts maintained at the Treasury. The Department's cash and other monetary assets consist of undeposited collections, imprest funds, cash used in undercover operations, cash held as evidence, and seized cash.

G. Investments

Investments are market-based Treasury securities issued by the Bureau of Public Debt. When securities are purchased, the investment is recorded at face value (the value at maturity). The Department's intent is to hold investments to maturity, unless the invested funds are needed to sustain operations. No provision is made for unrealized gains or losses on these securities because, in the majority of cases, they are held to maturity. The market value of the investments is the current market value at the end of the reporting period. It is calculated by using the "End of Day" price listed in The FedInvest Price File which can be found on the Bureau of Public Debt website (<http://www.fedinvest.gov/>). Investments are reported on the Consolidated Balance Sheets at their net value, the face value plus or minus any unamortized premium or discount. Premiums and discounts are amortized over the life of the Treasury security. The interest method is used for the amortization of premium and discount of Treasury notes and the straight-line method is used for Treasury bills. Amortization is based on the straight-line method over the term of the securities.

The AFF, the U.S. Trustee System Fund, and the Federal Prison Commissary Fund are three Funds from Dedicated Collections that invest in Treasury securities. The Treasury does not set aside assets to pay future expenditures associated with Funds from Dedicated Collections. Instead, the cash generated from Funds from Dedicated Collections is used by the Treasury for general government purposes. When these funds redeem their Treasury securities to make expenditures, the Treasury will finance the expenditures in the same manner that it finances all other expenditures.

Treasury securities are issued to the funds as evidence of fund receipts and provide the funds with the authority to draw upon the U.S. Treasury for future authorized expenditures. Treasury securities held by Funds from Dedicated Collections are an asset of the fund and a liability of the Treasury, so they are eliminated in consolidation for the U.S. Government-wide financial statements.

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

H. Accounts Receivable

Net accounts receivable includes reimbursement and refund receivables due from federal agencies and the public, less the allowance for doubtful accounts. Generally, most intragovernmental accounts receivable are considered fully collectible. The allowance for doubtful accounts for public receivables is estimated based on past collection experience and analysis of outstanding receivable balances at year end.

I. Inventory and Related Property

Inventory is maintained primarily for the manufacture of goods for sale to customers. This inventory is composed of three categories: Raw Materials, Work in Process, and Finished Goods. Raw material inventory value is based upon moving average costs. Inventories are valued at the lower of average cost or market value (LCM) and include materials, labor and manufacturing overhead. Market value is calculated on the basis of the contractual or anticipated selling price, less allowance for administrative expenses. DOJ values its finished goods and sub-assembly items at a standard cost that is periodically adjusted to approximate actual cost. DOJ has established inventory allowances to account for LCM adjustments and obsolete items that may not be utilized in future periods.

Additional inventories consist of new and rehabilitated office furniture, equipment and supplies used for the repair of airplanes, administrative supplies and materials, commissary sales to inmates (sundry items), metals, plastics, electronics, graphics, and optics.

J. General Property, Plant and Equipment

DOJ Financial Management Policy Memorandum (FMPM) 13-12, *Capitalization of General Property, Plant and Equipment and Internal Use Software*, was issued in FY 2013 with an effective date for reporting periods ending after September 30, 2014. Early implementation of the policy's increased thresholds was encouraged beginning October 1, 2012. The majority of the Department's components implemented or partially implemented the increased capitalization thresholds in FY 2013. Partial implementation included Internal Use Software only. Full implementation is required for DOJ components by the beginning of FY 2015.

Department Components	FY 2013 Fully Implemented	FY 2013 Partially Implemented	FY 2014 or beyond
AFF/SADF	✓		
OBDs	✓		
USMS		✓	
OJP	✓		
DEA		✓	
FBI	✓		
ATF			✓
BOP		✓	
FPI	N/A	N/A	N/A

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

J. General Property, Plant and Equipment (continued)

FPI, as a revolving fund, is an exception to FMPM 13-12, which states that “Revolving Funds, Working Capital Funds, and Trust Fund entities may establish their own thresholds on capitalization of general PP&E and IUS projects.” These thresholds must not conflict with FMPM 13-12, but may be more restrictive, at the discretion of the entity. Appropriation funded projects must comply with the capitalization thresholds as outlined in FMPM 13-12, as listed below.

Type of Property	New Capitalization Threshold	Old Capitalization Threshold
Real Property	\$250	\$100
Personal Property	\$50	\$25
Aircraft	\$100	\$100
Internal Use Software	\$5,000	\$500

Except for land, all general PP&E will be capitalized when the cost of acquiring or improving the property meets the threshold noted in the table above and has a useful life of two or more years. Land is capitalized regardless of the acquisition cost. Except for land, all general PP&E is depreciated or amortized, based on historical cost, using the straight-line method over the estimated useful life of the asset.

For FY 2012, except for BOP and FPI, Department acquisitions of personal property, excluding internal use software, costing \$25 or more is capitalized if the asset has an estimated useful life of two or more years. BOP and FPI capitalize personal property acquisitions over \$5 and \$10, respectively. Personal property is depreciated, based on historical cost, using the straight-line method over the estimated useful life of the asset. Land is never depreciated.

K. Advances and Prepayments

Advances and prepayments, classified as assets on the Consolidated Balance Sheets, consist primarily of funds disbursed to grantees in excess of total expenditures made by those grantees to third parties, funds advanced to state and local participants in the DEA Domestic Cannabis Eradication and Suppression Program, and travel advances issued to federal employees for official travel. Travel advances are limited to meals and incidental expenses expected to be incurred by the employees during official travel. Payments in advance of the receipt of goods and services are recorded as prepaid charges at the time of payment and are recognized as expenses when the goods and services are received.

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

L. Forfeited and Seized Property

Forfeited property is property for which the title has passed to the U.S. Government. This property is recorded at the estimated fair market value at the time of forfeiture and is not adjusted for any subsequent increases and decreases in estimated fair market value. The value of the property is reduced by the estimated liens of record.

Property is seized in consequence of a violation of public law. Seized property can include monetary instruments, real property, and tangible personal property of others in the actual or constructive possession of the custodial agency. Most non-cash property is held by the USMS from the point of seizure until its disposition. This property is recorded at the estimated fair market value at the time of seizure and is not adjusted for any subsequent increases and decreases in estimated fair market value.

M. Liabilities

Liabilities represent the monies or other resources that are likely to be paid by the Department as the result of a transaction or event that has already occurred. However, no liability can be paid by the Department absent proper budget authority. Liabilities that are not funded by the current year appropriation are classified as liabilities not covered by budgetary resources in Note 11. Accrued payroll and benefits are accrued based on the number of days in a pay period earned but not paid to employees at the end of the fiscal year.

N. Accrued Grant Liabilities

Disbursements of grant funds are recognized as expenses at the time of disbursement. However, some grant recipients incur expenditures prior to initiating a request for disbursement based on the nature of the expenditures. The OBDs and OJP accrue a liability for expenditures incurred by grantees prior to receiving grant funds for expenditures. The amount to be accrued is determined through an analysis of historic grant expenditures. These estimates are based on the most current information available at the time the financial statements are prepared.

Estimates for the grant accrual contain assumptions that have an impact on the financial statements. The key assumptions used in the grant accrual are: grantees have consistent spending patterns throughout the life of the grant, grantees will drawdown throughout the life of the grant, and the grant has a determined end date. The primary elements of these assumptions include, but are not limited to, type of grant that has been awarded, grant period, accounting basis used by the grantees, and the grant expenditure rate.

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

O. Contingencies and Commitments

The Department is involved in various administrative proceedings, legal actions, and claims. The Consolidated Balance Sheets include an estimated liability for those legal actions where management and the Chief Counsel consider adverse decisions “probable” and amounts are reasonably estimable. Legal actions where management and the Chief Counsel consider adverse decisions “probable” or “reasonably possible” and the amounts are reasonably estimable are disclosed in Note 16. However, there are cases where amounts have not been accrued or disclosed because the amounts of the potential loss cannot be estimated or the likelihood of an unfavorable outcome is considered “remote”.

P. Annual, Sick, and Other Leave

Annual and compensatory leave is expensed with an offsetting liability as it is earned and the liability is reduced as leave is taken. Each year, the balance in the accrued annual leave liability account is adjusted to reflect current pay rates. To the extent current or prior year appropriations are not available to fund annual and compensatory leave earned but not taken, funding will be obtained from future financing sources. Sick leave and other types of nonvested leave are expensed as taken.

Q. Interest on Late Payments

Pursuant to the Prompt Payment Act, 31 U.S.C. § 3901-3907, the Department pays interest on payments for goods or services made to business concerns after the due date. The due date is generally 30 days after receipt of a proper invoice or acceptance of the goods or services, whichever is later.

R. Retirement Plan

With few exceptions, employees of the Department are covered by one of the following retirement programs:

1. Employees hired before January 1, 1984, are covered by the Civil Service Retirement System (CSRS). For employees covered by CSRS, the Department contributes 7% of the employees’ gross pay for regular and 7.5% for law enforcement officers’ retirement.
2. Employees hired between January 1, 1984 and December 31, 2012, are covered by the Federal Employees Retirement System (FERS). For employees covered by FERS, the Department contributes 11.9% of the employees’ gross pay for regular and 26.3% for law enforcement officers’ retirement.
3. Employees hired after January 1, 2013, are covered by the Federal Employees Retirement System-Revised Annuity Employees (FERS-RAE) System. For employees covered by FERS-RAE, the Department contributes 9.6% of the employees’ gross pay for regular and 24.0% for law enforcement officers’ retirement.

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

R. Retirement Plan (continued)

All employees are eligible to contribute to the Federal Thrift Savings Plan (TSP). For those employees covered by the FERS and FERS-RAE, a TSP account is automatically established to which the Department is required to contribute an additional 1% of gross pay and match employee contributions up to 4%. No government contributions are made to the TSP accounts established by the CSRS employees. The Department does not report CSRS, FERS, or FERS-RAE assets, accumulated plan benefits, or unfunded liabilities, if any, which may be applicable to its employees. Such reporting is the responsibility of the Office of Personnel Management (OPM). Statement of Federal Financial Accounting Standards (SFFAS) No. 5, *Accounting for Liabilities of the Federal Government*, requires employing agencies to recognize the cost of pensions and other retirement benefits during their employees' active years of service. Refer to Note 19, *Imputed Financing from Costs Absorbed by Others*, for additional details.

S. Federal Employee Compensation Benefits

The FECA provides income and medical cost protection to covered federal civilian employees injured on the job, employees who have incurred a work-related occupational disease, and beneficiaries of employees whose death is attributable to a job-related injury or occupational disease. The total FECA liability consists of an actuarial and an accrued portion as discussed below.

Actuarial Liability: The Department of Labor (DOL) calculates the liability of the federal government for future compensation benefits, which includes the expected liability for death, disability, medical, and other approved costs. The liability is determined using the paid-losses extrapolation method calculated over the next 37-year period. This method utilizes historical benefit payment patterns related to a specific incurred period to predict the ultimate payments related to that period. The projected annual benefit payments are discounted to present value. The resulting federal government liability is then distributed by agency. The Department's portion of this liability includes the estimated future cost of death benefits, workers' compensation, medical, and miscellaneous cost for approved compensation cases for the Department employees. The Department liability is further allocated to component reporting entities on the basis of actual payments made to the FECA Special Benefits Fund (SBF) for the three prior years as compared to the total Department payments made over the same period.

The FECA actuarial liability is recorded for reporting purposes only. This liability constitutes an extended future estimate of cost, which will not be obligated against budgetary resources until the fiscal year in which the cost is actually billed to the Department. The cost associated with this liability cannot be met by the Department without further appropriation action.

Accrued Liability: The accrued FECA liability is the amount owed to the DOL for the benefits paid from the FECA SBF directly to Department employees.

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

T. Intragovernmental Activity

Intragovernmental costs and exchange revenue represent transactions made between two reporting entities within the federal government. Costs and earned revenues with the public represent exchange transactions made between the reporting entity and a non-federal entity. The classification of revenue or cost as “intragovernmental” or “with the public” is defined on a transaction-by-transaction basis. The purpose of this classification is to enable the federal government to prepare consolidated financial statements, not to match public and intragovernmental revenue with the costs incurred to produce public and intragovernmental revenue.

U. Revenues and Other Financing Sources

The Department receives the majority of funding needed to support its programs through Congressional appropriations. The Department receives annual, multi-year, and no-year appropriations that may be used, within statutory limits, for operating and capital expenditures. Additional funding is obtained through exchange revenues, nonexchange revenues, and transfers-in.

Appropriations Used are recognized as budgetary financing sources at the time the related program or administrative expenses are incurred. Exchange revenues are recognized when earned, for example, when goods have been delivered or services rendered. Nonexchange revenues are resources that the Government demands or receives, for example, forfeiture revenue and fines and penalties.

The Department's exchange revenue consists of the following activities: licensing fees to manufacture and distribute controlled substances; services rendered for legal activities; space management; data processing services; sale of merchandise and telephone services to inmates; sale of manufactured goods and services to other federal agencies; and other services. Fees are set by law and are periodically evaluated in accordance with OMB guidance.

The Department's nonexchange revenue consists of forfeiture income resulting from the sale of forfeited property, penalties in lieu of forfeiture, recovery of returned asset management cost, judgment collections, and other miscellaneous income. Other nonexchange revenue includes the OJP Crime Victims Fund receipts, ATF fees from firearms and ammunition industries, and AFF/SADF interest on investments with the Treasury.

The Department's deferred revenue includes licenses with DEA that are valid for multiple years. These monies are recorded as liabilities in the financial statements. Deferred revenue also includes forfeited property held for sale. When the property is sold, deferred revenue is reversed and forfeiture revenue in the amount of the gross proceeds of the sale is recorded.

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

V. Funds from Dedicated Collections

SFFAS No. 27, *Identifying and Reporting Earmarked Funds*, as amended by SFFAS 43 *Funds from Dedicated Collections: Amending Statement of Federal Financial Accounting Standards 27, Identifying and Reporting Earmarked Funds* (SFFAS No. 27, as amended), defines 'Funds from Dedicated Collections' as being financed by specifically identified revenues, provided to the government by non-federal sources, often supplemented by other financing sources, which remain available over time. These specifically identified revenues and other financing sources are required by statute to be used for designated activities, benefits or purposes, and must be accounted for separately from the Government's general revenues. The three required criteria for a fund from dedicated collections are:

1. A statute committing the federal government to use specifically identified revenues and/or other financing sources that are originally provided to the federal government by a non-federal source only for designated activities, benefits or purposes;
2. Explicit authority for the funds to retain revenues and/or other financing sources not used in the current period for future use to finance the designated activities, benefits, or purposes; and
3. A requirement to account for and report on the receipt, use, and retention of the revenues and other financing sources that distinguishes the fund from the federal government's general revenues.

The following funds meet the definition of a fund from dedicated collections: AFF, U.S. Trustee System Fund, Antitrust Division, Crime Victims Fund, Diversion Control Fee Account, and Federal Prison Commissary Fund.

W. Allocation Transfer of Appropriation

The Department is a party to allocation transfers with other federal agencies as a transferring (parent) entity and/or a receiving (child) entity. Allocation transfers are legal delegations by one department of its authority to obligate budget authority and outlay funds to another department. Generally, all financial activity related to these allocation transfers (e.g., budget authority, obligations, outlays) is reported in the financial statements of the parent entity, from which the underlying legislative authority, appropriations, and budget apportionments are derived. Two exceptions to this general rule affecting the Department include the funds transferred from the Judicial Branch to the USMS, and funds transferred from the Executive Office of the President to OJP. Per OMB's guidance, USMS and OJP report all activity relative to these allocation transfers in the respective financial statements.

The activity related to these transfers, included as part of these financial statements, is highlighted below:

OJP, as the parent, transfers funds from the Crime Victims Fund to the Department of Health and Human Services (HHS). This transfer is required by 42 U.S.C. §10603a {Sec. 14-4A} for *Child Abuse Prevention and Treatment Grants*. Amounts made available by section §10601(d) (2) of this title, for the purposes of this section, are to be obligated and expended by the Secretary of HHS for grants under section §5106c of this title.

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

W. Allocation Transfer of Appropriation (continued)

OJP receives, as a child entity, allocation transfers of appropriations from the Executive Office of the President. This transfer is authorized by P.L. 111-117 and P.L. 112-74. Per OMB guidance OJP reports all budgetary and proprietary activity for *Do Right by Youth Pilot* transferred from the Executive Office of the President to OJP.

The Department also allocated funds from BOP, as the parent, to the Public Health Service (PHS), a primary division of the Department of Health and Human Services. PHS provides a portion of medical treatment for federal inmates. The money is designated and expended for current year obligation of PHS staff salaries, benefits, and applicable relocation expenses.

USMS, as the child, receives allocation transfers of appropriation from the Administrative Office of the U.S. Courts. The allocation transfers are used for costs associated with protective guard services - Court Security Officers at United States courthouses and other facilities housing federal court operations. These costs include their salaries (paid through contracts), equipment, and supplies. This transfer is performed on an annual basis. Per OMB guidance, the USMS reports all budgetary and proprietary activity transferred from the Administrative Office of the U.S. Courts to the USMS.

X. Tax Exempt Status

As an agency of the federal government, the Department is exempt from all income taxes imposed by any governing body whether it is a federal, state, commonwealth, local, or foreign government.

Y. Use of Estimates

The preparation of financial statements requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Z. Reclassifications

The FY 2012 financial statements were reclassified to conform to the FY 2013 Departmental financial statement presentation requirements. Changes to the presentation of the Combined and Combining Statements of Budgetary Resources were made, in accordance with guidance provided in OMB Circular A-136 and as such, activity and balances reported on the FY 2012 Combined and Combining Statement of Budgetary Resources have been reclassified to conform to the presentation in the current year. Certain other prior year amounts have also been reclassified to conform with the current year presentation. The reclassifications have no material effect on total assets, liabilities, net position, change in net position or budgetary resources, as previously reported.

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

AA. Subsequent Events

Subsequent events and transactions occurring after September 30, 2013 through the date of the auditors' opinion have been evaluated for potential recognition or disclosure in the financial statements. The date of the auditors' opinion also represents the date that the financial statements were available to be issued.

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 2. Non-Entity Assets

As of September 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Intragovernmental		
Fund Balance with U.S. Treasury	\$ 1,359,177	\$ 1,294,306
Investments, Net	<u>1,457,380</u>	<u>1,516,625</u>
Total Intragovernmental	<u>2,816,557</u>	<u>2,810,931</u>
With the Public		
Cash and Monetary Assets	129,621	229,373
Accounts Receivable, Net	<u>3,244</u>	<u>4,032</u>
Total With the Public	<u>132,865</u>	<u>233,405</u>
Total Non-Entity Assets	2,949,422	3,044,336
Total Entity Assets	<u>38,469,338</u>	<u>40,146,378</u>
Total Assets	<u>\$ 41,418,760</u>	<u>\$ 43,190,714</u>

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 3. Fund Balance with U.S. Treasury

The Fund Balances with U.S. Treasury represent the unexpended balances on the Department's books for the entire Department's Treasury Symbols.

As of September 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Fund Balances		
Trust Funds	\$ 109,777	\$ 100,106
Special Funds	10,398,592	9,564,996
Revolving Funds	623,703	572,010
General Funds	12,026,880	14,447,788
Other Fund Types	<u>67,119</u>	<u>60,398</u>
Total Fund Balances with U.S. Treasury	<u>\$ 23,226,071</u>	<u>\$ 24,745,298</u>
Status of Fund Balances		
Unobligated Balance - Available	\$ 3,024,593	\$ 2,948,354
Unobligated Balance - Unavailable	970,374	1,088,078
Obligated Balance not yet Disbursed	13,131,115	15,040,015
Other Funds (With)/Without Budgetary Resources	<u>6,099,989</u>	<u>5,668,851</u>
Total Status of Fund Balances	<u>\$ 23,226,071</u>	<u>\$ 24,745,298</u>

Annual and multi-year budget authority expires at the end of its period of availability. During the first through the fifth expired years, the unobligated balance is unavailable and may only be used to adjust obligations and disbursements that were recorded before the budgetary authority expired or to meet a legitimate or bona fide need arising in the fiscal year for which the appropriation was made. The unobligated balance for no-year budget authority may be used to incur obligations indefinitely for the purpose specified by the appropriation act. No-year budget authority unobligated balances are still subject to the annual apportionment and allotment process.

Unobligated Balance - Unavailable includes amounts appropriated in prior fiscal years that are no longer available to fund new obligations, but can be used for upward and/or downward adjustments for existing obligations. Additionally, this line includes amounts received that are restricted to future use and as a result are not apportioned for current use. Other restricted funds include the collections of fees in excess of amounts budgeted for administering the Diversion Control Program. These collections may not be used until authorized by Congress.

Other Funds (With)/Without Budgetary Resources primarily represent the net of 1) investments in short-term securities with budgetary resources, 2) resources temporarily not available pursuant to public law, 3) custodial liabilities, and 4) miscellaneous receipts.

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 4. Cash and Monetary Assets

As of September 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Cash		
Undeposited Collections	\$ (74)	\$ 16,439
Imprest Funds	45,255	14,876
Seized Cash Deposited	40,063	82,166
Other Cash	<u>14,994</u>	<u>72,557</u>
Total Cash	<u>100,238</u>	<u>186,038</u>
Monetary Assets		
Seized Monetary Instruments	<u>74,560</u>	<u>74,644</u>
Total Monetary Assets	<u>74,560</u>	<u>74,644</u>
Total Cash and Monetary Assets	<u>\$ 174,798</u>	<u>\$ 260,682</u>

The majority of Other Cash consists of project-generated proceeds from undercover operations.

Note 5. Investments, Net

	<u>Face Value</u>	<u>Unamortized Premium (Discount)</u>	<u>Interest Receivable</u>	<u>Investments, Net</u>	<u>Market Value</u>
As of September 30, 2013					
Intragovernmental					
Non-Marketable Securities					
Market Based	\$ 6,652,198	\$ (1,425)	\$ 187	\$ 6,650,960	\$ 6,652,572
As of September 30, 2012					
Intragovernmental					
Non-Marketable Securities					
Market Based	\$ 6,213,792	\$ (76)	\$ 187	\$ 6,213,903	\$ 6,214,504

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 6. Accounts Receivable, Net

As of September 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Intragovernmental		
Accounts Receivable	\$ 452,533	\$ 324,425
Allowance for Uncollectible Accounts	<u>(206)</u>	<u>(98)</u>
Total Intragovernmental	<u>452,327</u>	<u>324,327</u>
With the Public		
Accounts Receivable	96,219	131,503
Allowance for Uncollectible Accounts	<u>(14,327)</u>	<u>(15,891)</u>
Total With the Public	<u>81,892</u>	<u>115,612</u>
Total Accounts Receivable, Net	<u>\$ 534,219</u>	<u>\$ 439,939</u>

Intragovernmental accounts receivable consists mainly of amounts due under reimbursable agreements with federal entities for services and goods provided.

The accounts receivable with the public primarily consists of OBDs U.S. Trustee Chapter 11 quarterly fees, FBI Non-Federal User Fee Program, FBI National Name Check Program, court mandated restitution, and refunds due from the public.

Note 7. Inventory and Related Property, Net

As of September 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Inventory		
Raw Materials	\$ 32,392	\$ 45,078
Work in Process	24,377	26,081
Finished Goods	36,930	53,949
Inventory Purchased for Resale	18,775	19,715
Excess, Obsolete, and Unserviceable	28,325	30,562
Inventory Allowance	<u>(26,613)</u>	<u>(26,416)</u>
Operating Materials and Supplies		
Held for Current Use	<u>18,628</u>	<u>17,640</u>
Total Inventory and Related Property, Net	<u>\$ 132,814</u>	<u>\$ 166,609</u>

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 8. Forfeited and Seized Property

Equitable Sharing Payments:

The statute governing the use of the AFF (28 U.S.C. §524(c)) permits the payment of equitable shares of forfeiture proceeds to participating foreign governments and state and local law enforcement agencies. The statute does not require such sharing and permits the Attorney General wide discretion in determining those transfers. Actual sharing is difficult to predict because many factors influence both the amount and timing of disbursement of equitable sharing payments, such as the length of time required to move an asset through the forfeiture process to disposition, the amount of net proceeds available for sharing, the elapse of time for Departmental approval of equitable sharing requests for cases with asset values exceeding \$1 million, and appeal of forfeiture judgments. Because of uncertainties surrounding the timing and amount of any equitable sharing payment, an obligation and expense are recorded only when the actual disbursement of the equitable sharing payment is imminent. The anticipated equitable sharing allocation level for FY 2014 is \$387 million.

Analysis of Change in Forfeited Property:

The number of items represents quantities calculated using many different units of measure. If necessary, the adjustments column includes property status and valuation changes received after, but properly credited to a prior fiscal year. The valuation changes include updates and corrections to an asset's value recorded in a prior year.

Method of Disposition of Forfeited Property:

During FYs 2013 and 2012, \$115,856 and \$132,710 of forfeited property were sold, \$1,038 and \$2,672 were destroyed or donated, \$17,081 and \$10,349 were returned to owners, and \$55,077 and \$36,542 were disposed of by other means, respectively. Other means of disposition include property transferred to other federal agencies for official use or equitable sharing, or property distributed to a state or local agency.

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 8. Forfeited and Seized Property (continued)

For the Fiscal Year Ended September 30, 2013

Forfeited Property Category		Beginning Balance	Adjustments	Forfeitures	Disposals	Ending Balance	Liens and Claims	Ending Balance, Net of Liens
Financial Instruments	Number	178	-	275	(241)	212	-	212
	Value	\$ 1,329	\$ -	\$ 45,294	\$ (44,206)	\$ 2,417	\$ -	\$ 2,417
Real Property	Number	418	(2)	445	(335)	526	-	526
	Value	\$ 81,996	\$ (987)	\$ 86,903	\$ (69,139)	\$ 98,773	\$ (1,072)	\$ 97,701
Personal Property	Number	3,858	-	5,512	(5,948)	3,422	-	3,422
	Value	\$ 63,972	\$ -	\$ 53,505	\$ (75,707)	\$ 41,770	\$ (534)	\$ 41,236
Non-Valued Firearms	Number	26,796	-	9,156	(11,951)	24,001	-	24,001
Total	Number	31,250	(2)	15,388	(18,475)	28,161	-	28,161
	Value	\$ 147,297	\$ (987)	\$ 185,702	\$ (189,052)	\$ 142,960	\$ (1,606)	\$ 141,354

For the Fiscal Year Ended September 30, 2012

Forfeited Property Category		Beginning Balance	Adjustments	Forfeitures	Disposals	Ending Balance	Liens and Claims	Ending Balance, Net of Liens
Financial Instruments	Number	117	-	283	(222)	178	-	178
	Value	\$ 1,730	\$ -	\$ 25,544	\$ (25,945)	\$ 1,329	\$ (658)	\$ 671
Real Property	Number	452	-	390	(424)	418	-	418
	Value	\$ 98,008	\$ -	\$ 64,732	\$ (80,744)	\$ 81,996	\$ (977)	\$ 81,019
Personal Property	Number	3,384	-	6,156	(5,682)	3,858	-	3,858
	Value	\$ 74,846	\$ (16,146)	\$ 80,856	\$ (75,584)	\$ 63,972	\$ (551)	\$ 63,421
Non-Valued Firearms	Number	23,593	-	17,525	(14,322)	26,796	-	26,796
Total	Number	27,546	-	24,354	(20,650)	31,250	-	31,250
	Value	\$ 174,584	\$ (16,146)	\$ 171,132	\$ (182,273)	\$ 147,297	\$ (2,186)	\$ 145,111

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 8. Forfeited and Seized Property (continued)

Analysis of Change in Seized Property:

Property seized for any purpose other than forfeiture and held by the seizing agency or a custodial agency should be disclosed by the seizing agency. All property seized for forfeiture, including property with evidentiary value, will be reported by the AFF/SADF. The Department has established a reporting threshold of \$1 or more for Personal Property seized for evidentiary purposes.

A seizure is the act of taking possession of goods in consequence of a violation of public law. Seized property consists of seized cash, monetary instruments, real property and tangible personal property in the actual or constructive possession of the seizing and the custodial agencies. The Department, until judicially or administratively forfeited, does not legally own such property. Seized evidence includes cash, financial instruments, non-monetary valuables, firearms, and drugs. The AFF/SADF reports property seized for forfeiture and the FBI, DEA, and ATF report property seized for evidence.

The number of items represents quantities calculated using many different units of measure. If necessary, the adjustments column includes property status and valuation changes received after, but properly credited to a prior fiscal year. The valuation changes include updates and corrections to an asset's value recorded in a prior year.

The DEA, FBI, and ATF have custody of drugs taken as evidence for legal proceedings. In accordance with Federal Financial Accounting and Auditing Technical Release No. 4, *Reporting on Non-Valued Seized and Forfeited Property*, the Department reports the total amount of seized drugs by quantity only, as drugs have no value and are destroyed upon resolution of legal proceedings.

Analyzed drug evidence includes cocaine, heroin, marijuana and methamphetamine and represents actual laboratory tested classification and weight in kilograms (KG). Since enforcing the controlled substances laws and regulations of the United States is a primary mission of the DEA, the DEA reports all analyzed drug evidence regardless of seizure weight. However, the enforcement of these laws and regulations is incidental to the missions of the FBI and ATF and therefore they only report those individual seizures exceeding 1 KG in weight.

“Other” primarily consists of substances, both controlled and non-controlled as defined per the Controlled Substances Act, other than those discussed above. “Bulk Drug Evidence” is comprised of controlled substances housed by the DEA in secured storage facilities of which only a sample is taken for laboratory analysis. The actual bulk drug weight may vary from seizure weight due to changes in moisture content over time.

Unanalyzed drug evidence is qualitatively different from analyzed and bulk drug evidence because unanalyzed drug evidence includes the weight of packaging and drug categories are based on the determination of Special Agents instead of laboratory chemists. For these reasons, unanalyzed drug evidence is not reported by the Department. Seized drug evidence must be analyzed and confirmed through laboratory testing to be placed in one of the five categories of drug above.

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 8. Forfeited and Seized Property (continued)

“Disposals” occur when seized property is forfeited, returned to parties with a bona fide interest, or destroyed in accordance with federal guidelines.

Method of Disposition of Seized Property:

During FYs 2013 and 2012, \$1,863,985 and \$4,121,701 of seized property were forfeited, \$216,945 and \$100,681 were returned to parties with a bonafide interest, and \$24,997 and \$40,896 were either released to a designated party or transferred to the appropriate federal entity under forfeiture or abandonment procedures. Non-valued property was primarily disposed of through destruction.

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 8. Forfeited and Seized Property (continued)

For the Fiscal year Ended, September 30, 2013

Seized Property Category		Beginning Balance	Adjustments	Seizures	Disposals	Ending Balance	Liens and Claims	Ending Balance, Net of Liens
Seized for Forfeiture								
Seized Cash and Monetary Instruments	Value	\$ 1,536,523	\$ 24,251	\$ 1,738,021	\$ (1,863,512)	\$ 1,435,283	\$ (114,622)	\$ 1,320,661
Financial Instruments	Number	520	-	49	(165)	404	-	404
	Value	\$ 68,368	\$ -	\$ 39,165	\$ (61,520)	\$ 46,013	\$ (2,395)	\$ 43,618
Real Property	Number	127	3	227	(217)	140	-	140
	Value	\$ 45,084	\$ (3,013)	\$ 75,390	\$ (53,678)	\$ 63,783	\$ (20,618)	\$ 43,165
Personal Property	Number	8,019	-	6,224	(7,107)	7,136	-	7,136
	Value	\$ 183,797	\$ -	\$ 59,118	\$ (98,493)	\$ 144,422	\$ (21,356)	\$ 123,066
Non-Valued Firearms	Number	33,572	-	13,496	(16,787)	30,281	-	30,281

For the Fiscal Year Ended, September 30, 2012

Seized Property Category		Beginning Balance	Adjustments	Seizures	Disposals	Ending Balance	Liens and Claims	Ending Balance, Net of Liens
Seized for Forfeiture								
Seized Cash and Monetary Instruments	Value	\$ 4,016,891	\$ -	\$ 1,587,055	\$ (4,067,423)	\$ 1,536,523	\$ (125,969)	\$ 1,410,554
Financial Instruments	Number	477	(135)	328	(150)	520	-	520
	Value	\$ 53,241	\$ (33,852)	\$ 55,920	\$ (6,941)	\$ 68,368	\$ (4,851)	\$ 63,517
Real Property	Number	146	(2)	131	(148)	127	-	127
	Value	\$ 48,364	\$ 365	\$ 35,139	\$ (38,784)	\$ 45,084	\$ (9,710)	\$ 35,374
Personal Property	Number	7,477	-	8,264	(7,722)	8,019	-	8,019
	Value	\$ 184,003	\$ -	\$ 107,126	\$ (107,332)	\$ 183,797	\$ (16,667)	\$ 167,130
Non-Valued Firearms	Number	36,915	-	19,716	(23,059)	33,572	-	33,572

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 8. Forfeited and Seized Property (continued)

For the Fiscal Year Ended September 30, 2013

Seized Property Category		Beginning Balance	Adjustments	Seizures	Disposals	Ending Balance	Liens and Claims	Ending Balance, Net of Liens
Seized for Evidence								
Seized Monetary Instruments	Value	\$ 50,644	\$ (5,543)	\$ 25,272	\$ (19,969)	\$ 50,404	\$ -	\$ 50,404
Personal Property	Number	1,414	35	217	(460)	1,206	-	1,206
	Value	\$ 30,337	\$ 312	\$ 6,574	\$ (8,755)	\$ 28,468	\$ -	\$ 28,468
Non-Valued Firearms	Number	64,331	(1,789)	12,558	(13,488)	61,612	-	61,612
Drug Evidence								
Cocaine	KG	53,584	846	36,340	(39,156)	51,614	-	51,614
Heroin	KG	3,421	(20)	934	(674)	3,661	-	3,661
Marijuana	KG	17,423	114	2,987	(4,084)	16,440	-	16,440
Bulk Drug Evidence	KG	397,644	1,587	1,085,804	(1,228,164)	256,871	-	256,871
Methamphetamine	KG	8,503	-	4,568	(2,364)	10,707	-	10,707
Other	KG	21,854	45	3,315	(2,975)	22,239	-	22,239
Total Drug Evidence	KG	502,429	2,572	1,133,948	(1,277,417)	361,532	-	361,532

For the Fiscal Year Ended September 30, 2012

Seized Property Category		Beginning Balance	Adjustments	Seizures	Disposals	Ending Balance	Liens and Claims	Ending Balance, Net of Liens
Seized for Evidence								
Seized Monetary Instruments	Value	\$ 46,847	\$ (2,185)	\$ 33,100	\$ (27,118)	\$ 50,644	\$ -	\$ 50,644
Personal Property	Number	1,421	41	323	(371)	1,414	-	1,414
	Value	\$ 36,379	\$ (35)	\$ 9,673	\$ (15,680)	\$ 30,337	\$ -	\$ 30,337
Non-Valued Firearms	Number	\$ 62,595	\$ (197)	\$ 16,088	\$ (14,155)	\$ 64,331	\$ -	\$ 64,331
Drug Evidence								
Cocaine	KG	56,161	421	28,033	(31,031)	53,584	-	53,584
Heroin	KG	3,108	(50)	1,124	(761)	3,421	-	3,421
Marijuana	KG	17,807	(321)	4,626	(4,689)	17,423	-	17,423
Bulk Drug Evidence	KG	278,152	252	995,893	(876,653)	397,644	-	397,644
Methamphetamine	KG	6,957	10	3,413	(1,877)	8,503	-	8,503
Other Drugs	KG	24,763	(1,145)	3,923	(5,687)	21,854	-	21,854
Total Drug Evidence	KG	386,948	(833)	1,037,012	(920,698)	502,429	-	502,429

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 9. General Property, Plant and Equipment, Net

As of September 30, 2013

	Acquisition Cost	Accumulated Depreciation	Net Book Value	Useful Life
Land and Land Rights	\$ 185,103	\$ -	\$ 185,103	N/A
Improvements to Land	5,008	(1,521)	3,487	15 yrs
Construction in Progress	474,893	-	474,893	N/A
Buildings, Improvements and Renovations	10,548,557	(4,654,564)	5,893,993	2-50 yrs
Other Structures and Facilities	902,563	(515,672)	386,891	10-50 yrs
Aircraft	478,808	(163,709)	315,099	5-30 yrs
Boats	11,138	(4,149)	6,989	5-25 yrs
Vehicles	542,048	(327,706)	214,342	2-25 yrs
Equipment	1,534,212	(970,840)	563,372	2-25 yrs
Assets Under Capital Lease	90,856	(54,955)	35,901	2-30 yrs
Leasehold Improvements	1,618,801	(927,884)	690,917	2-20 yrs
Internal Use Software	1,514,256	(540,220)	974,036	2-10 yrs
Internal Use Software in Development	272,300	-	272,300	N/A
Total	<u>\$ 18,178,543</u>	<u>\$ (8,161,220)</u>	<u>\$ 10,017,323</u>	

	Federal	Public	Total
Sources of Capitalized Property, Plant and Equipment			
Purchases for FY 2013	<u>\$ 147,390</u>	<u>\$ 793,376</u>	<u>\$ 940,766</u>

Based upon early implementation of DOJ Financial Management Policy Memorandum (FMPM) 13-12, *Capitalization of General Property, Plant and Equipment and Internal Use Software*, the Department revised its method for reporting the capitalization of real property, personal property, and internal use software in FY 2013 which caused a decrease in the General Property, Plant and Equipment, Net Book Value Balance by \$274,648, as described in Note 26.

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 9. General Property, Plant and Equipment, Net (continued)

As of September 30, 2012

	Acquisition <u>Cost</u>	Accumulated <u>Depreciation</u>	Net Book <u>Value</u>	<u>Useful Life</u>
Land and Land Rights	\$ 184,622	\$ -	\$ 184,622	N/A
Improvements to Land	4,926	(1,187)	3,739	15 yrs
Construction in Progress	658,901	-	658,901	N/A
Buildings, Improvements and Renovations	10,075,903	(4,329,867)	5,746,036	2-50 yrs
Other Structures and Facilities	887,732	(472,971)	414,761	10-50 yrs
Aircraft	456,739	(151,139)	305,600	5-30 yrs
Boats	12,420	(7,005)	5,415	5-25 yrs
Vehicles	651,787	(397,427)	254,360	2-25 yrs
Equipment	1,743,587	(1,048,695)	694,892	2-25 yrs
Assets Under Capital Lease	93,139	(53,503)	39,636	2-30 yrs
Leasehold Improvements	1,498,657	(834,558)	664,099	2-20 yrs
Internal Use Software	1,266,385	(455,765)	810,620	3-10 yrs
Internal Use Software in Development	<u>403,463</u>	<u>-</u>	<u>403,463</u>	N/A
Total	<u>\$ 17,938,261</u>	<u>\$ (7,752,117)</u>	<u>\$ 10,186,144</u>	

	<u>Federal</u>	<u>Public</u>	<u>Total</u>
Sources of Capitalized Property, Plant and Equipment Purchases for FY 2012	<u>\$ 230,403</u>	<u>\$ 843,795</u>	<u>\$ 1,074,198</u>

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 10. Other Assets

As of September 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Intragovernmental		
Advances and Prepayments	\$ 92,355	\$ 266,561
Other Intragovernmental Assets	<u>15</u>	<u>12</u>
Total Intragovernmental	92,370	266,573
Other Assets With the Public	<u>4,677</u>	<u>5,585</u>
Total Other Assets	<u>\$ 97,047</u>	<u>\$ 272,158</u>

The FY 2012 Advances and Prepayments include an advance to the United States District Court to initiate the condemnation proceeding for the acquisition of a prison facility in Illinois. Other Intragovernmental Assets include amounts due from Treasury General Fund related to ATF. Other Assets With the Public primarily consist of farm livestock held by the BOP.

Note 11. Liabilities not Covered by Budgetary Resources

As of September 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Intragovernmental		
Accrued FECA Liabilities	\$ 263,862	\$ 257,897
Other Unfunded Employment Related Liabilities	1,542	1,584
Other	<u>4,479</u>	<u>5,315</u>
Total Intragovernmental	<u>269,883</u>	<u>264,796</u>
With the Public		
Actuarial FECA Liabilities	1,632,616	1,474,278
Accrued Annual and Compensatory Leave Liabilities	819,032	830,119
Environmental and Disposal Liabilities (Note 12)	76,676	74,441
Deferred Revenue	477,890	409,396
Contingent Liabilities (Note 16)	26,571	28,551
Capital Lease Liabilities (Note 13)	8,716	16,627
RECA Liabilities (Note 25)	660,465	731,237
September 11 th Victim Compensation Fund (Note 25)	2,751,712	2,766,400
Other	<u>113,384</u>	<u>99,979</u>
Total With the Public	<u>6,567,062</u>	<u>6,431,028</u>
Total Liabilities not Covered by Budgetary Resources	6,836,945	6,695,824
Total Liabilities Covered by Budgetary Resources	<u>8,510,048</u>	<u>9,246,161</u>
Total Liabilities	<u>\$ 15,346,993</u>	<u>\$ 15,941,985</u>

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 11. Liabilities not Covered by Budgetary Resources (continued)

Generally, liabilities not covered by budgetary resources are liabilities for which Congressional action is needed before budgetary resources can be provided. However, some liabilities do not require appropriations and will be liquidated by the assets of the entities holding these liabilities. Such assets include civil and criminal debt collections, seized cash and monetary instruments, and revolving fund operations.

Other Liabilities with the Public consists primarily of future funded energy savings performance contracts and utilities.

Note 12. Environmental and Disposal Liabilities

Per SFFAS No. 5, *Accounting for Liabilities of the Federal Government*, SFFAS No. 6, *Accounting for Property, Plant, and Equipment*, Technical Release No. 2 *Determining Probable and Reasonably Estimable for Environmental Liabilities in the Federal Government*, Technical Release No. 10, *Implementation Guidance on Asbestos Cleanup Costs Associated with Facilities and Installed Equipment*, and Technical Release No. 11, *Implementation Guidance on Cleanup Costs Associated with Equipment*, federal agencies are required to recognize liabilities for environmental clean-up costs when the future outflow or sacrifice of resources is probable and reasonably estimable.

Firing Ranges

The BOP operates firing ranges on 67 of the sites where its institutions are located. Use of these firing ranges generates waste consisting primarily of lead shot and spent rounds from rifles, shotguns, pistols, and automatic weapons. At operational firing ranges, lead-containing bullets are fired and eventually fall to the ground at or near the range. As of September 30, 2012, BOP management determined their estimated clean-up liability to be \$26,935. In FY 2013, BOP management adjusted the estimated clean-up liability by the current U.S. inflation rate as determined by the U.S. Treasury and as such determined that an estimated firing range clean-up liability of \$27,820, based on an inflation rate of 1.7 percent, should be recorded.

Asbestos

BOP conducted a review of 46 institutions that were built prior to 1980; the review provided an estimate of the extent of friable and non-friable Asbestos Containing Materials (ACM) remaining in each of the institutions as of October 30, 2009. As of September 30, 2012, BOP management determined their estimated clean-up liability to be \$37,287. As of September 30, 2013, BOP management adjusted the clean-up liability by an overall amount of \$1,118. The adjustments include a decrease in the amount of \$78 for the abatement of asbestos at two locations; and increases in the amounts of \$538 due to additional asbestos found at three locations and \$658 by the current U.S. inflation rate of 1.7 percent as determined by the U.S. Treasury. The estimated asbestos clean-up liability as of September 30, 2013 was \$38,405.

The FBI operates facilities in Quantico, Virginia that contain friable and non-friable ACM. The facilities have a useful life of 50 years. The estimated total liability of \$11,613 is based on the square footage of the facilities that may be contaminated. This value, divided by the useful life and multiplied by the

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Asbestos (continued)

number of years in service, is the estimated cleanup liability. As of September 30, 2013 and 2012, the FBI recognized the estimated cleanup liability of \$10,451 and \$10,219 respectively. The estimated asbestos cleanup liability is increased each quarter by recording future expenses for the asbestos clean-up costs. During FY 2013, future funded expense for asbestos cleanup is \$232. There are no other potentially responsible parties to the environmental liability and there are no unrecognized amounts to disclose as of September 30, 2013.

Note 13. Leases

Capital leases include a Federal Transfer Center (25 year lease term) in Oklahoma City, Oklahoma; and other machinery and equipment that expire over future periods.

As of September 30, 2013 and 2012

Capital Leases	<u>2013</u>	<u>2012</u>
Summary of Assets Under Capital Lease		
Land and Buildings	\$ 89,625	\$ 89,625
Machinery and Equipment	1,231	3,514
Accumulated Amortization	<u>(54,955)</u>	<u>(53,503)</u>
Total Assets Under Capital Lease (Note 9)	<u>\$ 35,901</u>	<u>\$ 39,636</u>

Future Capital Lease Payments Due

<u>Fiscal Year</u>	<u>Land and Buildings</u>	<u>Machinery and Equipment</u>	<u>Total</u>
2014	\$ 9,073	\$ 28	\$ 9,101
2015	32	20	52
2016	32	19	51
2017	32	5	37
2018	32	3	35
After 2018	<u>32</u>	<u>-</u>	<u>32</u>
Total Future Capital Lease Payments	<u>\$ 9,233</u>	<u>\$ 75</u>	<u>\$ 9,308</u>
Less: Imputed Interest	(517)	(7)	(524)
Less: Executory Costs	-	(21)	(21)
FY 2013 Net Capital Lease Liabilities	<u>\$ 8,716</u>	<u>\$ 47</u>	<u>\$ 8,763</u>
FY 2012 Net Capital Lease Liabilities	<u>\$ 16,627</u>	<u>\$ 469</u>	<u>\$ 17,096</u>

	<u>2013</u>	<u>2012</u>
Net Capital Lease Liabilities Covered by Budgetary Resources	\$ 47	\$ 469
Net Capital Lease Liabilities not Covered by Budgetary Resources	\$ 8,716	\$ 16,627

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 13. Leases (continued)

The net capital lease liability not covered by budgetary resources primarily represents the capital lease of the Federal Transfer Center for which the Department received Congressional authority to fund with annual appropriations.

Future Noncancelable Operating Lease Payments

<u>Fiscal Year</u>	<u>Land and Buildings</u>	<u>Machinery and Equipment</u>	<u>Total</u>
2014	\$ 285,275	\$ 23,714	\$ 308,989
2015	304,218	21,507	325,725
2016	317,206	4,557	321,763
2017	314,776	4,692	319,468
2018	309,728	4,779	314,507
After 2018	<u>2,818,361</u>	<u>1</u>	<u>2,818,362</u>
Total Future Noncancelable Operating Lease Payments	<u>\$ 4,349,564</u>	<u>\$ 59,250</u>	<u>\$ 4,408,814</u>

Note 14. Seized Cash and Monetary Instruments

The Seized Cash and Monetary Instruments represent liabilities for seized assets held by the Department pending disposition.

As of September 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Investments, Net	\$ 1,371,064	\$ 1,430,357
Seized Cash Deposited	40,063	82,166
Seized Monetary Instruments	<u>74,560</u>	<u>74,644</u>
Total Seized Cash and Monetary Instruments	<u>\$ 1,485,687</u>	<u>\$ 1,587,167</u>

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 15. Other Liabilities

As of September 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Intragovernmental		
Other Accrued Liabilities	\$ 1	\$ -
Employer Contributions and Payroll Taxes Payable	82,117	205,477
Other Post-Employment Benefits Due and Payable	866	23
Other Unfunded Employment Related Liabilities	1,542	1,584
Advances from Others	110,038	152,447
Liability for Clearing Accounts	3,981	2,474
Other Liabilities	<u>5,511</u>	<u>6,708</u>
Total Intragovernmental	<u>204,056</u>	<u>368,713</u>
With the Public		
Other Accrued Liabilities	6,035	5,945
Advances from Others	10,233	11,020
Liability for Nonfiduciary Deposit Funds and Undeposited Collections	71,872	61,803
Liability for Clearing Accounts	35	482
Custodial Liabilities	200,744	209,775
Other Liabilities	<u>122,392</u>	<u>166,632</u>
Total With the Public	<u>411,311</u>	<u>455,657</u>
Total Other Liabilities	<u>\$ 615,367</u>	<u>\$ 824,370</u>

The majority of Intragovernmental Other Liabilities are composed of tenant allowances for operating leases, monies received from prisoner funds, and certain receipts of cash that are in suspense, clearing, deposit, or general fund accounts that are owed to the Treasury.

Other Liabilities with the Public are composed of future funded energy savings performance contracts and utilities. Other Liabilities with the Public also consists of project-generated proceeds from undercover operations. The proceeds not subject to forfeiture will be returned to the Department of Treasury General Fund at the conclusion of the project.

The majority of Liabilities are current with the exception of a portion that consists of capital leases and those liabilities related to future employee related expenses, such as accrued retirement contributions, life insurance, and retiree health benefits.

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 16. Contingencies and Commitments

	<u>Accrued Liabilities</u>	<u>Estimated Range of Loss</u>	
		<u>Lower</u>	<u>Upper</u>
As of September 30, 2013			
Probable	\$ 26,571	\$ 26,571	\$ 51,101
Reasonably Possible		83,310	117,481
As of September 30, 2012			
Probable	\$ 28,671	\$ 25,871	\$ 41,366
Reasonably Possible		52,860	76,131

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 17. Funds from Dedicated Collections

Funds from Dedicated Collections are financed by specifically identified revenues and are required by statute to be used for designated activities or purposes, and must be accounted for separately from the Government's general revenues. See SFFAS No. 27, as amended, for the required criteria for Funds from Dedicated Collections.

As of September 30, 2013

	Assets Forfeiture Fund	U.S. Trustee System Fund	Antitrust Division	Crime Victims Fund	Diversion Control Fee Account	Federal Prison Commissary Fund	Total Funds from Dedicated Collections
Balance Sheet							
Assets							
Fund Balance with U. S. Treasury	\$ 110,344	\$ 3,524	\$ 37,614	\$ 10,133,214	\$ 149,960	\$ 88,136	\$ 10,522,792
Investments, Net	4,697,101	231,959	-	-	-	-	4,929,060
Other Assets	145,279	46,803	1,067	182	37,595	27,399	258,325
Total Assets	\$ 4,952,724	\$ 282,286	\$ 38,681	\$ 10,133,396	\$ 187,555	\$ 115,535	\$ 15,710,177
Liabilities							
Accounts Payable	\$ 2,952,453	\$ 8,236	\$ 5,712	\$ 20,112	\$ 7,495	\$ 10,592	\$ 3,004,600
Other Liabilities	144,504	15,457	10,931	55,643	491,552	11,250	729,337
Total Liabilities	\$ 3,096,957	\$ 23,693	\$ 16,643	\$ 75,755	\$ 499,047	\$ 21,842	\$ 3,733,937
Net Position							
Unexpended Appropriations	\$ -	\$ 5,055	\$ 30,713	\$ -	\$ -	\$ -	\$ 35,768
Cumulative Results of Operations	1,855,767	253,538	(8,675)	10,057,641	(311,492)	93,693	11,940,472
Total Net Position	\$ 1,855,767	\$ 258,593	\$ 22,038	\$ 10,057,641	\$ (311,492)	\$ 93,693	\$ 11,976,240
Total Liabilities and Net Position	\$ 4,952,724	\$ 282,286	\$ 38,681	\$ 10,133,396	\$ 187,555	\$ 115,535	\$ 15,710,177

For the Fiscal Year Ended September 30, 2013

	Assets Forfeiture Fund	U.S. Trustee System Fund	Antitrust Division	Crime Victims Fund	Diversion Control Fee Account	Federal Prison Commissary Fund	Total Funds from Dedicated Collections
Statement of Net Cost							
Gross Cost of Operations	\$ 1,787,551	\$ 210,200	\$ 155,191	\$ 705,051	\$ 309,740	\$ 366,668	\$ 3,534,401
Less: Earned Revenues	12,201	198,902	82,043	-	275,553	370,123	938,822
Net Cost of Operations	\$ 1,775,350	\$ 11,298	\$ 73,148	\$ 705,051	\$ 34,187	\$ (3,455)	\$ 2,595,579
Statement of Changes in Net Position							
Net Position Beginning of Period	\$ 1,619,856	\$ 262,901	\$ 17,693	\$ 9,273,109	\$ (286,360)	\$ 86,212	\$ 10,973,411
Budgetary Financing Sources	1,831,586	6,397	77,135	1,489,583	-	-	3,404,701
Other Financing Sources	179,675	593	358	-	9,055	4,026	193,707
Total Financing Sources	\$ 2,011,261	\$ 6,990	\$ 77,493	\$ 1,489,583	\$ 9,055	\$ 4,026	\$ 3,598,408
Net Cost of Operations	\$ (1,775,350)	\$ (11,298)	\$ (73,148)	\$ (705,051)	\$ (34,187)	\$ 3,455	\$ (2,595,579)
Net Change	235,911	(4,308)	4,345	784,532	(25,132)	7,481	1,002,829
Net Position End of Period	\$ 1,855,767	\$ 258,593	\$ 22,038	\$ 10,057,641	\$ (311,492)	\$ 93,693	\$ 11,976,240

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 17. Funds from Dedicated Collections (continued)

As of September 30, 2012

	<u>Assets Forfeiture Fund</u>	<u>U.S. Trustee System Fund</u>	<u>Antitrust Division</u>	<u>Crime Victims Fund</u>	<u>Diversion Control Fee Account</u>	<u>Federal Prison Commissary Fund</u>	<u>Total Funds from Dedicated Collections</u>
Balance Sheet							
Assets							
Fund Balance with U. S. Treasury	\$ 78,375	\$ 17,623	\$ 37,506	\$ 9,359,797	\$ 107,051	\$ 86,948	\$ 9,687,300
Investments, Net	4,200,767	224,210	-	-	-	-	4,424,977
Other Assets	154,634	52,124	1,587	13,666	42,699	27,298	292,008
Total Assets	\$ 4,433,776	\$ 293,957	\$ 39,093	\$ 9,373,463	\$ 149,750	\$ 114,246	\$ 14,404,285
Liabilities							
Accounts Payable	\$ 2,667,843	\$ 9,020	\$ 5,871	\$ 19,031	\$ 7,543	\$ 14,775	\$ 2,724,083
Other Liabilities	145,546	21,648	14,830	81,323	428,094	13,259	704,700
Total Liabilities	\$ 2,813,389	\$ 30,668	\$ 20,701	\$ 100,354	\$ 435,637	\$ 28,034	\$ 3,428,783
Net Position							
Unexpended Appropriations	\$ -	\$ -	\$ 25,963	\$ -	\$ -	\$ -	\$ 25,963
Cumulative Results of Operations	1,620,387	263,289	(7,571)	9,273,109	(285,887)	86,212	10,949,539
Total Net Position	\$ 1,620,387	\$ 263,289	\$ 18,392	\$ 9,273,109	\$ (285,887)	\$ 86,212	\$ 10,975,502
Total Liabilities and Net Position	\$ 4,433,776	\$ 293,957	\$ 39,093	\$ 9,373,463	\$ 149,750	\$ 114,246	\$ 14,404,285

For the Fiscal Year Ended September 30, 2012

	<u>Assets Forfeiture Fund</u>	<u>U.S. Trustee System Fund</u>	<u>Antitrust Division</u>	<u>Crime Victims Fund</u>	<u>Diversion Control Fee Account</u>	<u>Federal Prison Commissary Fund</u>	<u>Total Funds from Dedicated Collections</u>
Statement of Net Cost							
Gross Cost of Operations	\$ 4,319,407	\$ 227,203	\$ 156,773	\$ 724,712	\$ 307,498	\$ 361,981	\$ 6,097,574
Less: Earned Revenues	10,585	226,566	87,461	-	244,354	360,290	929,256
Net Cost of Operations	\$ 4,308,822	\$ 637	\$ 69,312	\$ 724,712	\$ 63,144	\$ 1,691	\$ 5,168,318
Statement of Changes in Net Position							
Net Position Beginning of Period	\$ 1,760,544	\$ 259,137	\$ 15,219	\$ 7,202,248	\$ (232,162)	\$ 83,557	\$ 9,088,543
Budgetary Financing Sources	4,197,792	4,085	72,044	2,795,573	-	-	7,069,494
Other Financing Sources	(29,127)	704	441	-	9,419	4,346	(14,217)
Total Financing Sources	4,168,665	4,789	72,485	2,795,573	9,419	4,346	7,055,277
Net Cost of Operations	(4,308,822)	(637)	(69,312)	(724,712)	(63,144)	(1,691)	(5,168,318)
Net Change	(140,157)	4,152	3,173	2,070,861	(53,725)	2,655	1,886,959
Net Position End of Period	\$ 1,620,387	\$ 263,289	\$ 18,392	\$ 9,273,109	\$ (285,887)	\$ 86,212	\$ 10,975,502

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 17. Funds from Dedicated Collections (continued)

The Comprehensive Crime Control Act of 1984 established the AFF to receive the proceeds of forfeiture and to pay the costs associated with such forfeitures, including the costs of managing and disposing of property, satisfying valid liens, mortgages, and other innocent owner claims, and costs associated with accomplishing the legal forfeiture of the property. Authorities of the fund have been amended by various public laws enacted since 1984. Under current law, authority to use the fund for certain investigative expenses shall be specified in annual appropriation acts. Expenses necessary to seize, detain, inventory, safeguard, maintain, advertise or sell property under seizure are funded through a permanent, indefinite appropriation. In addition, beginning in FY 1993, other general expenses of managing and operating the Asset Forfeiture Program are paid from the permanent, indefinite portion of the fund. Once all expenses are covered, the balance is maintained to meet ongoing expenses of the program. Excess unobligated balances may also be allocated by the Attorney General in accordance with 28 U.S.C. §524(c)(8)(E).

The United States Trustees (UST) supervises the administration of bankruptcy cases and private trustees in the Federal Bankruptcy Courts. The Bankruptcy Judges, UST, and Family Farmer Bankruptcy Act of 1986 (Public Law 99-554) expanded the pilot trustee program to a 21 region, nationwide program encompassing 88 judicial districts. The UST System Fund collects user fees assessed against debtors, which offset the annual appropriation.

The Antitrust Division administers and enforces antitrust and related statutes. This program primarily involves the investigation of suspected violations of the antitrust laws, the conduct of civil and criminal proceedings in the federal courts, and the maintenance of competitive conditions. The Antitrust Division collects filing fees for pre-merger notifications and retains these fees for expenditure in support of its programs.

The Crime Victims Fund is financed by collections of fines, penalty assessments, and bond forfeitures from defendants convicted of federal crimes. This fund supports victim assistance and compensation programs around the country and advocates, through policy development, for the fair treatment of crime victims. The Office for Victims of Crime administers formula and discretionary grants for programs designed to benefit victims, provides training for diverse professionals who work with victims, develops projects to enhance victims' rights and services, and undertakes public education and awareness activities on behalf of crime victims.

The Diversion Control Fee Account is established in the General Fund of the Treasury as a separate account. Fees charged by the DEA under the Diversion Control Program are set at a level that ensures the recovery of the full costs of operating this program. The program's purpose is to prevent, detect, and investigate the diversion of controlled substances from legitimate channels, while ensuring an adequate and uninterrupted supply of controlled substances required to meet legitimate needs.

The Federal Prison Commissary Fund was created in the early 1930s to allow inmates a means to purchase additional products and services above the necessities provided by appropriated federal funds, e.g., personal grooming products, snacks, postage stamps, and telephone services. The Trust Fund is a self-sustaining trust revolving fund account that is funded through sales of goods and services to inmates.

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 18. Net Cost of Operations by Suborganization

For the Fiscal Year Ended September 30, 2013

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
Goal 1: Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law											
Gross Cost	-	175,613	80,268	-	138,056	5,011,528	4,834	-	-	(116,086)	\$ 5,294,213
Less: Earned Revenues	-	13,310	-	-	44,670	473,594	-	-	-	(116,086)	415,488
Net Cost of Operations	-	162,303	80,268	-	93,386	4,537,934	4,834	-	-	-	4,878,725
Goal 2: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law											
Gross Cost	1,787,551	5,809,609	243,802	1,048,978	2,794,999	3,029,264	1,244,413	7,907	-	(945,821)	15,020,702
Less: Earned Revenues	12,201	1,216,551	-	11,164	720,062	343,140	75,280	-	-	(945,821)	1,432,577
Net Cost of Operations	1,775,350	4,593,058	243,802	1,037,814	2,074,937	2,686,124	1,169,133	7,907	-	-	13,588,125
Goal 3: Ensure and support the Fair, Impartial, Efficient and Transparent Administration of Justice at the Federal, State, Local, Tribal and International Levels											
Gross Cost	-	530,097	2,842,469	1,655,613	-	1,053,013	-	7,615,902	647,553	(395,115)	13,949,532
Less: Earned Revenues	-	6,731	57,752	27,196	-	513,384	-	419,593	614,742	(374,046)	1,265,352
Net Cost of Operations	-	523,366	2,784,717	1,628,417	-	539,629	-	7,196,309	32,811	(21,069)	12,684,180
Net Cost of Operations	\$ 1,775,350	\$ 5,278,727	\$ 3,108,787	\$ 2,666,231	\$ 2,168,323	\$ 7,763,687	\$ 1,173,967	\$ 7,204,216	\$ 32,811	\$ (21,069)	\$ 31,151,030

For the Fiscal Year Ended September 30, 2012

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
Goal 1: Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law											
Gross Cost	-	381,836	4,794	-	111,714	5,341,870	6,419	-	-	(119,355)	\$ 5,727,278
Less: Earned Revenues	-	116,119	-	-	12,630	460,839	-	-	-	(119,355)	470,233
Net Cost of Operations	-	265,717	4,794	-	99,084	4,881,031	6,419	-	-	-	5,257,045
Goal 2: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law											
Gross Cost	4,319,407	8,591,116	32,637	998,795	2,837,798	2,964,275	1,278,676	7,242	-	(970,264)	20,059,682
Less: Earned Revenues	10,585	924,300	-	4,839	724,373	340,061	81,369	-	-	(970,264)	1,115,263
Net Cost of Operations	4,308,822	7,666,816	32,637	993,956	2,113,425	2,624,214	1,197,307	7,242	-	-	18,944,419
Goal 3: Ensure and support the Fair, Impartial, Efficient and Transparent Administration of Justice at the Federal, State, Local, Tribal and International Levels											
Gross Cost	-	2,473,536	3,154,286	2,465,313	-	1,050,783	-	7,499,577	763,098	(1,883,179)	15,523,414
Less: Earned Revenues	-	225,181	1,543,645	22,458	-	485,894	-	410,305	701,286	(1,858,461)	1,530,308
Net Cost of Operations	-	2,248,355	1,610,641	2,442,855	-	564,889	-	7,089,272	61,812	(24,718)	13,993,106
Net Cost of Operations	\$ 4,308,822	\$ 10,180,888	\$ 1,648,072	\$ 3,436,811	\$ 2,212,509	\$ 8,070,134	\$ 1,203,726	\$ 7,096,514	\$ 61,812	\$ (24,718)	\$ 38,194,570

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 19. Imputed Financing from Costs Absorbed by Others

Imputed Inter-Departmental Financing Sources are the unreimbursed (i.e., non-reimbursed and under-reimbursed) portion of the full costs of goods and services received by the Department from a providing entity that is not part of the Department. In accordance with SFFAS No. 30, *Inter-Entity Cost Implementation Amending SFFAS No.4, Managerial Cost Accounting Concepts and Standards*, the material Imputed Inter-Departmental financing sources currently recognized by the Department include the cost of benefits for the Federal Employees Health Benefits Program (FEHB), the Federal Employees' Group Life Insurance Program (FEGLI), and the Federal Pension plans that are paid by other federal entities, and any un-reimbursed payments made from the Treasury Judgment Fund on behalf of the Department. The Treasury Judgment Fund was established by the Congress and funded at 31 U.S.C. §1304 to pay in whole or in part the court judgments and settlement agreements negotiated by the Department on behalf of agencies, as well as certain types of administrative awards. Interpretation of Federal Financial Accounting Standards Interpretation No. 2, *Accounting for Treasury Judgment Fund Transactions*, requires agencies to recognize liabilities and expenses when unfavorable litigation outcomes are probable and the amount can be estimated and will be paid by the Treasury Judgment Fund.

SFFAS No. 5, *Accounting for Liabilities of the Federal Government*, requires that employing agencies recognize the cost of pensions and other retirement benefits during their employees' active years of service. SFFAS No. 5 requires OPM to provide cost factors necessary to calculate the cost. OPM actuaries calculate the value of pension benefits expected to be paid in the future, and then determine the total funds to be contributed by and for covered employees, such that the amount calculated would be sufficient to fund the projected pension benefits. For employees covered by Civil Service Retirement System (CSRS), the cost factors are 32.3% of basic pay for regular, 54.9% law enforcement officers, 24.6% regular offset, and 48.1% law enforcement officers offset. For employees covered by Federal Employees Retirement System (FERS) and Federal Employees Retirement System-Revised Annuity Employees (FERS-RAE), the cost factors are 14.2% of basic pay for regular and 30.7% for law enforcement officers.

The cost to be paid by other agencies is the total calculated future costs, less employee and employer contributions. In addition, other retirement benefits, which include health and life insurance that are paid by other federal entities, must also be recorded.

For the Fiscal Years Ended September 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Imputed Inter-Departmental Financing		
U.S. Treasury Judgment Fund	\$ 18,470	\$ 39,181
Health Insurance	505,851	572,584
Life Insurance	2,120	2,038
Pension	<u>275,218</u>	<u>264,211</u>
Total Imputed Inter-Departmental	<u>\$ 801,659</u>	<u>\$ 878,014</u>

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 19. Imputed Financing from Costs Absorbed by Others (continued)

Imputed Intra-Departmental Financing Sources as defined in SFFAS No. 4, *Managerial Cost Accounting Standards and Concepts*, are the unreimbursed portion of the full costs of goods and services received by a Department component from a providing entity that is part of the Department. Recognition is required for those transactions determined to be material to the receiving entity. The determination of whether the cost is material requires considerable judgment based on the specific facts and circumstances of each type of good or service provided. SFFAS No. 4 also states that costs for broad and general support need not be recognized by the receiving entity, unless such services form a vital and integral part of the operations or output of the receiving entity. Costs are considered broad and general if they are provided to many, if not all, reporting components and not specifically related to the receiving entity's output. The FPI imputed \$21,069 and \$24,718 for FYs 2013 and 2012, respectively of unreimbursed costs for BOP warehouse space used in the production of goods by the FPI and for managerial and operational services BOP provided to FPI. These imputed costs have been eliminated from the consolidated financial statements.

Note 20. Information Related to the Statement of Budgetary Resources

Apportionment Categories of Obligations Incurred:

	Direct Obligations	Reimbursable Obligations	Total Obligations Incurred
For the Fiscal Year Ended September 30, 2013			
Obligations Apportioned Under			
Category A	\$ 26,637,125	\$ 4,327,099	\$ 30,964,224
Category B	3,743,760	219,525	3,963,285
Exempt from Apportionment	-	574,221	574,221
Total	\$ 30,380,885	\$ 5,120,845	\$ 35,501,730
For the Fiscal Year Ended September 30, 2012			
Obligations Apportioned Under			
Category A	\$ 28,500,520	\$ 5,919,576	\$ 34,420,096
Category B	5,928,795	204,702	6,133,497
Exempt from Apportionment	-	697,683	697,683
Total	\$ 34,429,315	\$ 6,821,961	\$ 41,251,276

The apportionment categories are determined in accordance with the guidance provided in Part 4 "Instructions on Budget Execution" of OMB Circular A-11, *Preparation, Submission and Execution of the Budget*. Category A obligations represent resources apportioned for calendar quarters. Category B obligations represent resources apportioned for other time periods; for activities, projects, and objectives or for a combination thereof.

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 20. Information Related to the Statement of Budgetary Resources (continued)

Status of Undelivered Orders:

Undelivered Orders (UDO) represent the amount of goods and/or services ordered, which have not been actually or constructively received. This amount includes any orders which may have been prepaid or advanced but for which delivery or performance has not yet occurred.

As of September 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
UDO Obligations Unpaid	\$ 8,989,622	\$ 10,343,834
UDO Obligations Prepaid/Advanced	<u>605,618</u>	<u>1,172,884</u>
Total UDO	<u>\$ 9,595,240</u>	<u>\$ 11,516,718</u>

Permanent Indefinite Appropriations:

A permanent indefinite appropriation is open-ended as to both its period of availability (amount of time the agency has to spend the funds) and its amount. Following are the Department's permanent indefinite appropriations.

- 28 U.S.C. §524(c)(4) authorized the Attorney General to retain AFF receipts to pay operations expenses, equitable sharing to state and local law enforcement agencies who assist in forfeiture cases, and lien holders.

- On October 5, 1990, Congress passed the Radiation Exposure Compensation Act ("RECA" or "the Act"), 42 U.S.C. §2210, providing for compassionate payments to individuals who contracted certain cancers and other serious diseases as a result of their exposure to radiation released during above-ground nuclear weapons tests or as a result of their exposure to radiation during employment in underground uranium mines. Implementing regulations were issued by the Department of Justice and published in the Federal Register on April 10, 1992. These regulations established procedures to resolve claims in a reliable, objective, and non-adversarial manner, with little administrative cost to the United States or to the person filing the claim. Revisions to the regulations, published in the Federal Register on March 22, 1999, served to greater assist claimants in establishing entitlement to an award. On July 10, 2000, P.L. 106-245, the Radiation Exposure Compensation Act Amendments of 2000 ("the 2000 Amendments") were passed. On November 2, 2002, the President signed the "21st Century Department of Justice Appropriation Authorization Act" (P.L. 107-273). Contained in the law were several provisions relating to RECA. While most of these amendments were "technical" in nature, some affected eligibility criteria and revised claims adjudication procedures. The Consolidated Appropriations Act, 2005 provides a permanent indefinite appropriation for the OBDs' Radiation Exposure Compensation Act program beginning FY 2006.

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 20. Information Related to the Statement of Budgetary Resources (continued)

Permanent Indefinite Appropriations (continued):

- Congress established the Federal Prison Commissary Fund (Trust Fund) in 1932 to allow inmates a means to purchase additional products and services above the necessities provided by appropriated federal funds. The BOP Trust Fund is now a self-sustaining revolving account that is funded through the sales of goods and services, rather than annual or no-year appropriations.
- The Public Safety Officers' Benefits Act of 1976 (the "PSOB Act") is generally codified at 42 U.S.C. §46 Subchapter XII.

OJP's PSOB appropriation supports one mandatory and two discretionary programs that provide benefits to public safety officers who are severely injured in the line of duty and to the families and survivors of public safety officers killed or mortally injured in the line of duty.

The PSOB Program offers three types of benefits:

1. Death Benefits, a one-time financial benefit to survivors of public safety officers whose deaths resulted from injuries sustained in the line of duty. Under the Hometown Heroes Survivors Benefit Act of 2003, survivors of public safety officers who die of a heart attack or stroke within 24 hours of stressful, non-routine public safety activities may also qualify for death benefits.
2. Disability Benefits, a one-time financial benefit to public safety officers permanently disabled by catastrophic injuries sustained in the line of duty.
3. Education Benefits, which provide financial support for higher education expenses (such as tuition and fees, books, supplies, and room and board) to the eligible spouses and children of public safety officers killed or permanently disabled in the line of duty.

Legal Arrangements Affecting Use of Unobligated Balances:

Unobligated balances represent the cumulative amount of budget authority that is not obligated and that remains available for obligation under law, unless otherwise restricted. The use of unobligated balances is restricted based on annual legislation requirements and other enabling authorities. Funds are appropriated on an annual, multi-year, and no-year basis. Appropriated funds shall expire on the last day of availability and are no longer available for new obligations. Unobligated balances in unexpired fund symbols are available in the next fiscal year for new obligations unless some restrictions had been placed on those funds by law. Amounts in expired fund symbols are unavailable for new obligations, but may be used to adjust previously established obligations.

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 20. Information Related to the Statement of Budgetary Resources (continued)

Statement of Budgetary Resources vs. Budget of the United States Government:

The reconciliation as of September 30, 2012 is presented below. The reconciliation as of September 30, 2013 is not presented, because the submission of the Budget of the United States (Budget) for FY 2015, which presents the execution of the FY 2013 Budget, occurs after publication of these financial statements. The Department of Justice Budget Appendix can be found on the OMB website (<http://www.whitehouse.gov/omb/budget>) and will be available in early February 2014.

For the Fiscal Year Ended September 30, 2012
(Dollars in Millions)

	<u>Budgetary Resources</u>	<u>Obligations Incurred</u>	<u>Distributed Offsetting Receipts</u>	<u>Net Outlays</u>
Statement of Budgetary Resources (SBR)	\$ 45,288	\$ 41,251	\$ 1,425	\$ 31,601
Funds not Reported in the Budget				
Expired Funds: OBDs, USMS, DEA, OJP, FBI, ATF & BOP	(864)	(130)	-	-
AFF/SADF Forfeiture Activity	(106)	-	-	-
OCDETF Adjustments	(25)	(26)	-	-
USMS Court Security Funds	(438)	(425)	-	(426)
Distributed Offsetting Receipts	-	-	(818)	818
Special and Trust Fund Receipts	-	-	-	609
Other	(14)	(3)	(1)	(1)
Budget of the United States Government	<u>\$ 43,841</u>	<u>\$ 40,667</u>	<u>\$ 606</u>	<u>\$ 32,601</u>

Other differences represent financial statement adjustments, timing differences and other immaterial differences between amounts reported in the Department SBR and the Budget of the United States Government.

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 21. Net Custodial Revenue Activity

Custodial revenue activity represents those collections of non-exchange revenue on behalf of other recipient entities. These collections are not recorded as revenue by the Department but as activity on the Statements of Custodial Activity. The custodial liabilities presented on the Consolidated Balance Sheets and Note 15 represent funds held by the Department that have yet to be disbursed to the appropriate Federal agency or individual.

The primary source of the Department's Office of Debt Collection Management (DCM) collections consists of civil litigated matters, e.g., student loan defaults, and health care fraud. The DCM also processes certain payments on criminal debts as an accommodation for the BOP and the Clerks of the U.S. District Courts. The BOP aggregates collections of inmate criminal debt by correction facility, and the DCM sorts the collections by judicial district and disburses payments to the respective Clerks of the U.S. Court. The DCM also accepts wire transfers or other payments on a criminal debt if a Clerk of the U.S. Court is unable or unwilling to do so. In addition, other negligible custodial collections occur for interest, fines, and penalties.

The OBDs collect civil fines, penalties, and restitution payments that are incidental to its mission. By court order, the OBDs were given the investment authority and the settlement funds collected must be invested. The OBDs invest these funds with the Treasury Bureau of the Public Debt. As of September 30, 2013 and 2012, the custodial assets and liabilities recorded by the OBDs on the Consolidated Balance Sheets are \$1,372,581 and \$1,320,292, respectively. The OBDs custodial collections totaled \$5,637,603 and \$7,035,591 for the fiscal years ended September 30, 2013 and 2012.

For the fiscal years ended September 30, 2013 and 2012, DEA collected \$101,630 and \$27,595, respectively. DEA's collections include \$15 million of the total fees collected for the Diversion Control Program and civil monetary penalties related to violations of the Controlled Substances Act that were incidental to DEA's mission. Since DEA has no statutory authority to use these excess funds, DEA transmits them to the Treasury General Fund. The DEA has a custodial liability for funds that have not yet been transmitted to the Treasury General Fund. As of September 30, 2013 and 2012 balances for custodial liabilities were \$2,856 and \$3,781, respectively.

As an agent of the federal government and as authorized by 26 U.S.C. § 6301, ATF collects fees from firearms and explosives industries, as well as import, permit and license fees. Special Occupational Taxes are collected from certain firearms businesses. Miscellaneous collections include project-generated proceeds. As ATF is unable to use these collections in its operations, ATF also has the authority to transfer these collections to the Treasury General Fund. The ATF custodial collections totaled \$69,980 and \$24,675 for the fiscal years ended September 30, 2013 and 2012, respectively.

The FBI collected \$872 and \$10,736, in September 30, 2013 and 2012, respectively, in restitution payments, seized abandoned cash, and project generated proceeds. These collections were incidental to the FBI's mission. Since the FBI does not have statutory authority to use these funds, the FBI remits these funds upon receipt to the U.S. Treasury's General Fund. The FBI reports a custodial liability when custodial revenues are held by the FBI, but have not yet been transmitted to the U.S. Treasury's General Fund. As of September 30, 2013 and 2012, balances for custodial liabilities were \$5 and \$0, respectively.

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 21. Net Custodial Revenue Activity (continued)

As of September 30, 2013 and 2012, the BOP collected \$46 and \$54, respectively, in collections of fines and penalties, confiscated funds, found money on institution grounds, inmate's funds whose whereabouts are unknown and excess meal ticket collections. These collections were incidental to the BOP's mission. Since the BOP does not have statutory authority to use these funds, the BOP remits these funds to the Treasury's General Fund. As of September 30, 2013 and 2012, the BOP did not have any custodial liabilities.

These notes are an integral part of the financial statements.

FY 2013 U. S. Department of Justice Annual Financial Statements

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 22. OMB Circular A-136 Consolidated Balance Sheet Presentation

U.S. Department of Justice
Consolidated Balance Sheets
As of September 30, 2013 and 2012

Dollars in Thousands	2013	2012
ASSETS		
Intragovernmental		
Fund Balance with U.S. Treasury	\$ 23,226,071	\$ 24,745,298
Investments, Net	6,650,960	6,213,903
Accounts Receivable, Net	452,327	324,327
Other Assets	92,370	266,573
Total Intragovernmental	<u>30,421,728</u>	<u>31,550,101</u>
Cash and Other Monetary Assets	174,798	260,682
Accounts Receivable, Net	81,892	115,612
Inventory and Related Property, Net	132,814	166,609
General Property, Plant and Equipment, Net	10,017,323	10,186,144
Other Assets	590,205	911,566
Total Assets	<u>\$ 41,418,760</u>	<u>\$ 43,190,714</u>
LIABILITIES		
Intragovernmental		
Accounts Payable	\$ 339,253	\$ 302,575
Other Liabilities	1,645,619	1,743,663
Total Intragovernmental	<u>1,984,872</u>	<u>2,046,238</u>
Accounts Payable	4,203,261	4,108,056
Federal Employee and Veteran Benefits	1,632,616	1,474,278
Environmental and Disposal Liabilities	76,676	74,441
Other Liabilities	7,449,568	8,238,972
Total Liabilities	<u>\$ 15,346,993</u>	<u>\$ 15,941,985</u>
NET POSITION		
Unexpended Appropriations - Funds from Dedicated Collections	\$ 35,768	\$ 25,963
Unexpended Appropriations - All Other Funds	8,649,121	10,568,815
Cumulative Results of Operations - Funds from Dedicated Collections	11,940,472	10,949,539
Cumulative Results of Operations - All Other Funds	5,446,406	5,704,412
Total Net Position	<u>\$ 26,071,767</u>	<u>\$ 27,248,729</u>
Total Liabilities and Net Position	<u>\$ 41,418,760</u>	<u>\$ 43,190,714</u>

These notes are an integral part of the financial statements.

FY 2013 U. S. Department of Justice Annual Financial Statements

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 23. Reconciliation of Net Cost of Operations (proprietary) to Budget (formerly the Statement of Financing)

For the Fiscal Years Ended September 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Resources Used to Finance Activities		
Budgetary Resources Obligated		
Obligations Incurred	\$ 35,501,730	\$ 41,251,276
Less: Spending Authority from Offsetting Collections and Recoveries	<u>6,304,918</u>	<u>8,071,018</u>
Obligations Net of Offsetting Collections and Recoveries	29,196,812	33,180,258
Less: Offsetting Receipts	<u>933,877</u>	<u>1,425,127</u>
Net Obligations	28,262,935	31,755,131
Other Resources		
Donations and Forfeitures of Property	185,772	120,275
Transfers-In/Out Without Reimbursement	2,080	(12,623)
Imputed Financing from Costs Absorbed by Others (Note 19)	801,659	878,014
Other	<u>(6,166)</u>	<u>(5,199)</u>
Net Other Resources Used to Finance Activities	983,345	980,467
Total Resources Used to Finance Activities	<u>29,246,280</u>	<u>32,735,598</u>
Resources Used to Finance Items not Part of the Net Cost of Operations		
Net Change in Budgetary Resources Obligated for Goods, Services and Benefits Ordered but not Yet Provided	1,664,943	1,565,963
Resources That Fund Expenses Recognized in Prior Periods (Note 24)	(106,481)	(68,557)
Budgetary Offsetting Collections and Receipts That do not Affect Net Cost of Operations	99,050	700,546
Resources That Finance the Acquisition of Assets	(905,379)	(1,069,993)
Other Resources or Adjustments to Net Obligated Resources That do not Affect Net Cost of Operations	<u>(15,500)</u>	<u>24,810</u>
Total Resources Used to Finance Items not Part of the Net Cost of Operations	<u>736,633</u>	<u>1,152,769</u>
Total Resources Used to Finance the Net Cost of Operations	\$ 29,982,913	\$ 33,888,367

These notes are an integral part of the financial statements.

FY 2013 U. S. Department of Justice Annual Financial Statements

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 23. Reconciliation of Net Cost of Operations (proprietary) to Budget (formerly the Statement of Financing) (continued)

For the Fiscal Years Ended September 30, 2013 and 2012	2013	2012
Components of Net Cost of Operations That Will not Require or Generate Resources in the Current Period		
Components Requiring or Generating Resources in Future Periods		
Components That will Require or Generate Resources in Future Periods (Note 24)	\$ 260,293	\$ 3,174,134
Depreciation and Amortization	854,143	1,059,391
Revaluation of Assets or Liabilities	(1,912)	35,468
Other	55,593	37,210
Total Components of Net Cost of Operations That will not Require or Generate Resources	907,824	1,132,069
Total Components of Net Cost of Operations That Will not Require or Generate Resources in the Current Period	1,168,117	4,306,203
Net Cost of Operations	\$ 31,151,030	\$ 38,194,570

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 24. Explanation of Differences Between Liabilities not Covered by Budgetary Resources and Components of Net Cost of Operations Requiring or Generating Resources in Future Periods

Liabilities that are not covered by realized budgetary resources and for which there is no certainty that budgetary authority will be realized, such as the enactment of an appropriation, are considered liabilities not covered by budgetary resources. These liabilities totaling \$6,836,945 and \$6,695,824 as of September 30, 2013 and 2012, respectively, are discussed in Note 11, *Liabilities not Covered by Budgetary Resources*. Decreases in these liabilities result from current year budgetary resources that were used to fund expenses recognized in prior periods. Increases in these liabilities represent unfunded expenses that were recognized in the current period. These increases along with the change in the portion of exchange revenue receivables from the public, which are not considered budgetary resources until collected, represent components of current period net cost of operations that will require or generate budgetary resources in future periods. The changes in liabilities not covered by budgetary resources and receivables generating resources in future periods are comprised of the following:

For the Fiscal Years Ended September 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Resources that Fund Expenses Recognized in Prior Periods		
Decrease in Accrued Annual and Compensatory Leave Liabilities	\$ (11,087)	\$ -
Other		
Decrease in Contingent Liabilities	(1,980)	(40,101)
Decrease in Unfunded Capital Lease Liabilities	(7,911)	(7,314)
Decrease in RECA Liabilities	(70,772)	-
Decrease in September 11 th Victim Compensation Fund Liabilities	(14,688)	-
Decrease in Other Unfunded Employment Related Liabilities	(43)	(594)
Decrease in Other Liabilities	<u>-</u>	<u>(20,548)</u>
Total Other	<u>(95,394)</u>	<u>(68,557)</u>
Total Resources that Fund Expenses Recognized in Prior Periods	<u>\$ (106,481)</u>	<u>\$ (68,557)</u>
Components of Net Cost of Operations That Will Require or Generate Resources in Future Periods		
Increase in Accrued Annual and Compensatory Leave Liabilities	\$ -	\$ 7,228
Increase in Environmental and Disposal Liabilities	2,235	1,732
(Increase)/Decrease in Exchange Revenue Receivable from the Public	14,119	21,078
Other		
Increase in Actuarial FECA Liabilities	158,338	114,918
Increase in Accrued FECA Liabilities	5,965	10,084
Increase in Deferred Revenue	68,494	50,654
Increase in RECA Liabilities	-	195,399
Increase in September 11 th Victim Compensation Fund Liabilities	-	2,766,400
Increase in Other Liabilities	12,569	-
(Increase)/Decrease in Nonexchange Receivables from the Public	-	(96)
(Increase)/Decrease in Surcharge Revenue Receivable from Other Federal Agencies	<u>(1,427)</u>	<u>6,737</u>
Total Other	<u>243,939</u>	<u>3,144,096</u>
Total Components of Net Cost of Operations That Will Require or Generate Resources in Future Periods	<u>\$ 260,293</u>	<u>\$ 3,174,134</u>

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 25. Compensation Funds

Radiation Exposure Compensation Act

On October 15, 1990, Congress passed the Radiation Exposure Compensation Act (RECA), 42 U.S.C. § 2210, providing for compassionate payments to individuals who contracted certain cancers and other serious diseases as a result of their exposure to radiation released during above-ground nuclear weapons tests or as a result of their exposure to radiation during employment in underground uranium mines. Implementing regulations were issued by the Department and published in the Federal Register on April 10, 1992, establishing procedures to resolve claims in a reliable, objective, and non-adversarial manner, with little administrative cost to the United States or to the person filing the claim. Revisions to the regulations, published in the Federal Register on March 22, 1999, served to greater assist claimants in establishing entitlement to an award.

On July 10, 2000, the Radiation Exposure Compensation Act Amendments of 2000, P.L. 106-245, was enacted. Some of the widespread changes include new claimant populations, additional compensable diseases, lower radiation exposure thresholds, modified medical documentation requirements, and removal of certain disease restrictions. Pursuant to the 2000 Amendments, the Department was directed to issue implementing regulations. The Department published two related rulemakings in the Federal Register to implement the legislation.

Subsequent action by Congress required modification to those rulemakings. Therefore, the Department published a “final” rule in the Federal Register on March 23, 2004, which went into effect on April 22, 2004.

There are now five categories of claimants: uranium miners, uranium millers, ore transporters, downwinders, and on-site participants. Each category requires similar eligibility criteria: if claimants can demonstrate that they contracted a compensable disease after working or residing in a designated location for a specified period of time, they qualify for compensation.

The enactment of two pieces of legislation changed the funding sources for RECA claimants. The National Defense Authorization Act for FY 2005 requires that RECA Section 5 claimants (uranium miners, millers, and ore transporters) be paid out of the Department of Labor’s (Labor) Energy Employees Occupational Illness Compensation Fund. The RECA Section 5 liability of \$316,993 as of March 30, 2004, was transferred to Labor during FY 2005. The RECA Fund began exclusively paying RECA Section 4 claimants (downwinders and on-site participants) in FY 2005. The Consolidated Appropriations Act, 2005, contains language that made funding for the RECA Trust Fund mandatory and indefinite beginning in FY 2006.

The OBDs recognized liabilities of \$660,465 and \$731,237 for estimated future benefits payable by the Department as of September 30, 2013 and 2012, respectively, to eligible individuals under the Act through FY 2023. The estimated liability is based on historical data. Key factors in determining future liability are trends in the number of claims filed, trends in the percentage of claims adjudicated, and trends in the percentage of claims approved. These estimates are then discounted in accordance with the discount rates set by the Office of Management and Budget.

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 25. Compensation Funds (continued)

September 11th Victim Compensation Fund

Title II of The *James Zadroga 9/11 Health and Compensation Act of 2010 (Zadroga Act)* P.L. 111-347, reactivated the September 11th Victim Compensation Fund of 2001 and requires a Special Master, appointed by the Attorney General, to provide compensation to any individual (or a personal representative of a deceased individual) who suffered physical harm or was killed as a result of the terrorist-related aircraft crashes of September 11, 2001, or the debris removal efforts that took place in the immediate aftermath of those crashes. The Zadroga Act amends the Air Transportation Safety and System Stabilization Act by among other things: Expanding the geographic zone recognized as a 9/11 crash site and providing greater consistency with the World Trade Center Health Program by adding additional forms of proof that may be used to establish eligibility.

The Zadroga Act requires that the total amount of Federal funds paid including compensation with respect to claims filed on or after October 3, 2011, shall not exceed \$2,775,000. Furthermore, the total amount of Federal funds expended during the period from October 3, 2011, through October 3, 2016, may not exceed \$875,000. As of September 30, 2013, the Department of Justice received appropriations of \$521,280, which included rescissions of \$720. Based on OMB guidance DOJ is to return all apportioned unobligated funds at the end of each fiscal year via Treasury's FMS 2108, Year-End Closing Statement. Summarized financial information about appropriated funds received, donations received from the public, benefit payments disbursed and payable, and the Fund balance is presented below:

As of September 30, 2013 and 2012

	2013	2012
Appropriated Funds Received - Current Year	\$ 322,000	\$ -
Appropriated Funds Received - Carryforward	193,788	200,000
Rescission	(720)	-
Total Funds Received	<u>515,068</u>	<u>200,000</u>
Less: Adjudicated Benefit Claims Disbursements	559	-
Salaries and Expenses Disbursements	7,789	6,212
Funds Returned to Treasury	497,992	-
Total Disbursements	<u>506,340</u>	<u>6,212</u>
Fund Balance with Treasury	<u>\$ 8,728</u>	<u>\$ 193,788</u>
Federal Funds Available for September 11 th Victim Compensation Fund	\$ 2,766,400	\$ 2,775,000
Less: Change in Unpaid Obligations	6,340	2,388
Adjudicated Benefit Claims Disbursements	559	-
Salaries and Expenses Disbursements	7,789	6,212
Total Funded Liabilities	<u>14,688</u>	<u>8,600</u>
Unfunded Liability for September 11 th Victim Compensation Fund	<u>\$ 2,751,712</u>	<u>\$ 2,766,400</u>

These notes are an integral part of the financial statements.

Notes to the Principal Financial Statements
(Dollars in Thousands, Except as Noted)

Note 26. Changes in Accounting Principles

Based upon early implementation of DOJ Financial Management Policy Memorandum, (FMPM) 13-12, *Capitalization of General Property, Plant, and Equipment and Internal Use Software*, most of the Department's components fully or partially revised their capitalization thresholds. Effective FY 2013, the AFF, OBDs, OJP, and FBI revised capitalization thresholds for real property, personal property, and internal use software; and the USMS, DEA, and BOP revised capitalization threshold for internal use software. DEA has planned to fully implement the revised capitalization thresholds in FY 2014. Full implementation of revised capitalization thresholds for components meeting the defined criteria is required by FY 2015. This policy is preferable because it increases the efficiency and cost effectiveness of DOJ property management efforts while maintaining a system of internal controls.

For financial statement purposes, DOJ recognized adjustments relating to the change in the capitalization thresholds as changes to the General PP&E's Net Book Value primarily for real property, including leasehold improvements; personal property, and internal use software. DOJ reported the offsetting change as "Changes in Accounting Principles" in the Statement of Changes in Net Position. For the fiscal year ended September 30, 2013, DOJ's management has determined the adjustment to the beginning balance in the amount of \$274,648.

The adjustment by component is illustrated in the table below.

Type of Property	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	BOP	Total
Real Property	\$ -	\$ (9,422)	N/A	\$ -	N/A	\$ (28,890)	N/A	\$ (38,312)
Personal Property	\$ -	\$ (3,838)	N/A	\$ (1,199)	N/A	\$ (168,859)	N/A	\$ (173,896)
Internal Use Software	\$ (531)	\$ (1,354)	\$ -	\$ -	\$ (12,340)	\$ (39,428)	\$ (8,787)	\$ (62,440)
Total	\$ (531)	\$ (14,614)	\$ -	\$ (1,199)	\$ (12,340)	\$ (237,177)	\$ (8,787)	\$ (274,648)

These notes are an integral part of the financial statements.

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**Required Supplementary Information
Unaudited**

See Independent Auditors' Report on the Financial Statements

**U. S. Department of Justice
Combining Statement of Budgetary Resources
For the Fiscal Year Ended September 30, 2013**

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Combined
Budgetary Resources										
Unobligated Balance, Net, Brought Forward, October 1	\$ 762,009	\$ 1,127,089	\$ 101,959	\$ 177,965	\$ 167,398	\$ 1,099,469	\$ 46,209	\$ 395,915	\$ 158,419	\$ 4,036,432
Recoveries of Prior Year Unpaid Obligations	76,720	281,144	42,537	109,297	124,497	358,191	21,838	14,780	-	1,029,004
Other Changes in Unobligated Balance	-	15,854	46,940	(3,468)	(386)	(16,230)	(1,570)	(60,086)	-	(18,946)
Unobligated Balance from Prior Year Budget Authority, Net	838,729	1,424,087	191,436	283,794	291,509	1,441,430	66,477	350,609	158,419	5,046,490
Appropriations (discretionary and mandatory)	1,849,037	4,838,144	3,045,350	2,168,196	2,255,829	7,419,644	1,070,888	6,527,205	-	29,174,293
Spending Authority from Offsetting Collections (discretionary and mandatory)	20,595	2,115,083	86,010	209,014	497,424	1,237,756	79,299	415,990	614,743	5,275,914
Total Budgetary Resources	\$ 2,708,361	\$ 8,377,314	\$ 3,322,796	\$ 2,661,004	\$ 3,044,762	\$ 10,098,830	\$ 1,216,664	\$ 7,293,804	\$ 773,162	\$ 39,496,697
Status of Budgetary Resources:										
Obligations Incurred (Note 21)	\$ 1,821,623	\$ 7,469,473	\$ 3,166,404	\$ 2,480,371	\$ 2,811,950	\$ 8,974,391	\$ 1,183,167	\$ 7,020,130	\$ 574,221	\$ 35,501,730
Unobligated Balance, End of Period:										
Apportioned	639,271	671,491	126,660	170,590	203,634	831,392	15,908	99,040	-	2,757,986
Exempt from Apportionment	-	-	-	-	-	-	-	67,666	198,941	266,607
Unapportioned	247,467	236,350	29,732	10,043	29,178	293,047	17,589	106,968	-	970,374
Total Unobligated Balance - End of Period	886,738	907,841	156,392	180,633	232,812	1,124,439	33,497	273,674	198,941	3,994,967
Total Status of Budgetary Resources:	\$ 2,708,361	\$ 8,377,314	\$ 3,322,796	\$ 2,661,004	\$ 3,044,762	\$ 10,098,830	\$ 1,216,664	\$ 7,293,804	\$ 773,162	\$ 39,496,697
Change in Obligated Balance:										
Unpaid Obligations:										
Unpaid obligations, Brought Forward, October 1	\$ 2,849,380	\$ 4,179,328	\$ 537,767	\$ 4,278,196	\$ 722,184	\$ 3,072,245	\$ 258,628	\$ 868,945	\$ 163,704	\$ 16,930,377
Obligations Incurred	1,821,623	7,469,473	3,166,404	2,480,371	2,811,950	8,974,391	1,183,167	7,020,130	574,221	35,501,730
Outlays, Gross (-)**	(1,462,508)	(8,031,666)	(3,202,913)	(2,734,354)	(2,903,259)	(9,262,651)	(1,225,296)	(7,162,998)	(619,438)	(36,605,083)
Recoveries of Prior Year Unpaid Obligations (-)**	(76,720)	(281,144)	(42,537)	(109,297)	(124,497)	(358,191)	(21,838)	(14,780)	-	(1,029,004)
Unpaid Obligations, End of Period	3,131,775	3,335,991	458,721	3,914,916	506,378	2,425,794	194,661	711,297	118,487	14,798,020
Uncollected Payments:										
Uncollected Payments from Federal Sources, Brought Forward, October 1 (-)**	(8,889)	(840,730)	(160,071)	(27,583)	(185,933)	(568,468)	(67,071)	(10,038)	(21,578)	(1,890,361)
Change in Uncollected Customer Payments from Federal Sources	1,712	184,867	140,402	(61,396)	5,172	(49,058)	11,032	4,530	(13,805)	223,456
Uncollected Customer Payments from Federal Sources	(7,177)	(655,863)	(19,669)	(88,979)	(180,761)	(617,526)	(56,039)	(5,508)	(35,383)	(1,666,905)
Memorandum (non-add) Entries:										
Obligated balance, Start of Period	2,840,491	3,338,598	377,696	4,250,613	536,251	2,503,777	191,557	858,907	142,126	15,040,016
Obligated balance, End of Period	3,124,598	2,680,128	439,052	3,825,937	325,617	1,808,268	138,622	705,789	83,104	13,131,115

U. S. Department of Justice
Combining Statement of Budgetary Resources - Continued
For the Fiscal Year Ended September 30, 2013

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Combined
Budgetary Authority and Outlays, Net:										
Budgetary Authority, Gross (discretionary and mandatory)	\$ 1,869,632	\$ 6,953,227	\$ 3,131,360	\$ 2,377,210	\$ 2,753,253	\$ 8,657,400	\$ 1,150,187	\$ 6,943,195	\$ 614,743	\$ 34,450,207
Less: Actual Offsetting Collections (discretionary and mandatory)	22,306	2,299,950	226,412	147,618	502,596	1,188,698	90,331	420,520	600,938	5,499,369
Change in Uncollected Customer Payments from Federal Sources (discretionary and mandatory)	1,712	184,867	140,402	(61,396)	5,172	(49,058)	11,032	4,530	(13,805)	223,456
Budget Authority, Net (discretionary and mandatory)	\$ 1,849,038	\$ 4,838,144	\$ 3,045,350	\$ 2,168,196	\$ 2,255,829	\$ 7,419,644	\$ 1,070,888	\$ 6,527,205	\$ -	\$ 29,174,294
Outlays, Gross (discretionary and mandatory)	\$ 1,462,508	\$ 8,031,666	\$ 3,202,913	\$ 2,734,354	\$ 2,903,259	\$ 9,262,651	\$ 1,225,296	\$ 7,162,998	\$ 619,438	\$ 36,605,083
Less: Actual Offsetting Collections (discretionary and mandatory)	22,306	2,299,950	226,412	147,618	502,596	1,188,698	90,331	420,520	600,938	5,499,369
Outlays, Net (discretionary and mandatory)	1,440,202	5,731,716	2,976,501	2,586,736	2,400,663	8,073,953	1,134,965	6,742,478	18,500	31,105,714
Less: Distributed Offsetting Receipts	5,106	540,343	-	-	345,852	(3,938)	41,520	4,994	-	933,877
Agency Outlays, Net (discretionary and mandatory)	\$ 1,435,096	\$ 5,191,373	\$ 2,976,501	\$ 2,586,736	\$ 2,054,811	\$ 8,077,891	\$ 1,093,445	\$ 6,737,484	\$ 18,500	\$ 30,171,837

**U. S. Department of Justice
Combining Statement of Budgetary Resources
For the Fiscal Year Ended September 30, 2012**

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Combined
Budgetary Resources										
Unobligated Balance, Net, Brought Forward, October 1	\$ 1,088,719	\$ 814,323	\$ 90,397	187,462	\$ 158,292	\$ 947,534	\$ 60,967	\$ 379,813	\$ 154,816	\$ 3,882,323
Recoveries of Prior Year Unpaid Obligations	84,186	224,583	54,620	53,296	114,289	290,427	32,746	23,388	-	877,535
Other Changes in Unobligated Balance	-	67,691	(7,632)	(2,409)	21	(53,259)	(14,933)	(1,862)	-	(12,383)
Unobligated Balance from Prior Year Budget Authority, Net	1,172,905	1,106,597	137,385	238,349	272,602	1,184,702	78,780	401,339	154,816	4,747,475
Appropriations (discretionary and mandatory)	4,100,446	7,142,929	1,610,644	2,286,418	2,346,455	8,110,411	1,151,866	6,597,581	-	33,346,750
Spending Authority from Offsetting Collections (discretionary and mandatory)	17,027	2,162,444	1,538,614	196,233	525,323	1,395,880	94,820	561,856	701,286	7,193,483
Total Budgetary Resources	\$ 5,290,378	\$ 10,411,970	\$ 3,286,643	\$ 2,721,000	\$ 3,144,380	\$ 10,690,993	\$ 1,325,466	\$ 7,560,776	\$ 856,102	\$ 45,287,708
Status of Budgetary Resources:										
Obligations Incurred (Note 21)	4,528,369	9,284,881	3,184,684	2,543,035	2,976,982	9,591,524	1,279,257	7,164,861	697,683	41,251,276
Unobligated Balance, End of Period:										
Apportioned	639,541	861,850	61,752	152,618	127,526	624,435	29,929	232,512	-	2,730,163
Exempt from Apportionment	-	-	-	-	-	-	-	59,772	158,419	218,191
Unapportioned	122,468	265,239	40,207	25,347	39,872	475,034	16,280	103,631	-	1,088,078
Total Unobligated Balance - End of Period	762,009	1,127,089	101,959	177,965	167,398	1,099,469	46,209	395,915	158,419	4,036,432
Total Status of Budgetary Resources:	\$ 5,290,378	\$ 10,411,970	\$ 3,286,643	\$ 2,721,000	\$ 3,144,380	\$ 10,690,993	\$ 1,325,466	\$ 7,560,776	\$ 856,102	\$ 45,287,708
Change in Obligated Balance:										
Unpaid Obligations:										
Unpaid obligations, Brought Forward, October 1	\$ 1,092,300	\$ 4,564,149	\$ 648,610	\$ 5,025,867	\$ 712,030	\$ 3,165,268	\$ 245,431	\$ 1,051,944	\$ 171,054	\$ 16,676,653
Obligations Incurred	4,528,369	9,284,881	3,184,684	2,543,035	2,976,982	9,591,524	1,279,257	7,164,861	697,683	41,251,276
Outlays, Gross (-)**	(2,687,103)	(9,445,119)	(3,240,907)	(3,237,410)	(2,852,539)	(9,394,120)	(1,233,314)	(7,324,472)	(705,033)	(40,120,017)
Recoveries of Prior Year Unpaid Obligations (-)**	(84,186)	(224,583)	(54,620)	(53,296)	(114,289)	(290,427)	(32,746)	(23,388)	-	(877,535)
Unpaid Obligations, End of Period	2,849,380	4,179,328	537,767	4,278,196	722,184	3,072,245	258,628	868,945	163,704	16,930,377
Uncollected Payments:										
Uncollected Payments from Federal Sources, Brought Forward, October 1 (-)	(4,889)	(816,547)	(188,832)	(25,236)	(157,357)	(492,704)	(59,852)	(10,882)	(34,360)	(1,790,659)
Change in Uncollected Customer Payments from Federal Sources	(4,000)	(24,183)	28,761	(2,347)	(28,576)	(75,764)	(7,219)	844	12,782	(99,702)
Uncollected Customer Payments from Federal Sources	\$ (8,889)	\$ (840,730)	\$ (160,071)	\$ (27,583)	\$ (185,933)	\$ (568,468)	\$ (67,071)	\$ (10,038)	\$ (21,578)	\$ (1,890,361)
Memorandum (non-add) Entries:										
Obligated balance, Start of Period	1,087,411	3,747,602	459,778	5,000,631	554,673	2,672,564	185,579	1,041,062	136,694	14,885,994
Obligated balance, End of Period	2,840,491	3,338,598	377,696	4,250,613	536,251	2,503,777	191,557	858,907	142,126	15,040,016

U. S. Department of Justice
Combining Statement of Budgetary Resources - Continued
For the Fiscal Year Ended September 30, 2012

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Combined
Budgetary Authority and Outlays, Net:										
Budgetary Authority, Gross (discretionary and mandatory)	\$ 4,117,473	\$ 9,305,373	\$ 3,149,258	\$ 2,482,651	\$ 2,871,778	\$ 9,506,291	\$ 1,246,686	\$ 7,159,437	\$ 701,286	\$ 40,540,233
Less: Actual Offsetting Collections (discretionary and mandatory)	13,027	2,138,261	1,567,371	193,886	496,747	1,320,116	87,601	562,700	714,068	7,093,777
Change in Uncollected Customer Payments from Federal Sources (discretionary and mandatory)	(4,000)	(24,183)	28,761	(2,347)	(28,576)	(75,764)	(7,219)	844	12,782	(99,702)
Budget Authority, Net (discretionary and mandatory)	\$ 4,100,446	\$ 7,142,929	\$ 1,610,648	\$ 2,286,418	\$ 2,346,455	\$ 8,110,411	\$ 1,151,866	\$ 6,597,581	\$ -	\$ 33,346,754
Outlays, Gross (discretionary and mandatory)	\$ 2,687,103	\$ 9,445,119	\$ 3,240,907	\$ 3,237,410	\$ 2,852,539	\$ 9,394,120	\$ 1,233,314	\$ 7,324,472	\$ 705,033	\$ 40,120,017
Less: Actual Offsetting Collections (discretionary and mandatory)	13,027	2,138,261	1,567,371	193,886	496,747	1,320,116	87,601	562,700	714,068	7,093,777
Outlays, Net (discretionary and mandatory)	2,674,076	7,306,858	1,673,536	3,043,524	2,355,792	8,074,004	1,145,713	6,761,772	(9,035)	33,026,240
Less: Distributed Offsetting Receipts	3,327	1,117,582	-	26	295,736	145	2,859	5,452	-	1,425,127
Agency Outlays, Net (discretionary and mandatory)	\$ 2,670,749	\$ 6,189,276	\$ 1,673,536	\$ 3,043,498	\$ 2,060,056	\$ 8,073,859	\$ 1,142,854	\$ 6,756,320	\$ (9,035)	\$ 31,601,113

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**Required Supplementary Stewardship Information
Unaudited**

See Independent Auditors' Report on the Financial Statements

**U.S. Department of Justice
Required Supplementary Stewardship Information
Consolidated Stewardship Investments
For the Fiscal Years Ended September 30, 2013, 2012, 2011, 2010 and 2009**

The Bureau of Justice Assistance administers the Correctional Systems and Correctional Alternatives for Tribal Lands (CSCATL) and the Violent Offender Incarceration and Truth-In-Sentencing (VOI/TIS) Incentive grant programs. Both programs provide grants for the purposes of building and expanding correctional facilities and jails to increase secure confinement space for violent offenders and implementing correctional alternatives to reduce reliance on incarceration. VOI/TIS funds are available to any of the 50 United States, the District of Columbia, Puerto Rico, U.S. Virgin Islands, American Samoa, Guam, the Northern Mariana Islands, and recognized Tribal governments; while CSCATL funds are available to tribes within the 50 states. The Tribal Law and Order Act of 2010 (Public Law 111-211) expanded the CSCATL grant program scope to include multi-purpose justice centers. The facilities built or expanded with these funds constitute non-federal physical property. Upon completion, the Bureau of Indian Affairs of the Department of Interior, and/or tribal grantees are responsible for supporting, operating, and maintaining the correctional facilities.

The CSCATL strategy broadly addresses tribal justice systems and lends support to tribes that:

- Are interested in establishing/enhancing (tribal/non-tribal) multi-agency cooperation and collaborations;
- Are committed to conducting community-wide assessment for purpose of developing a comprehensive master plan that encompasses the design, use, capacity, and cost of adult and/or juvenile justice sanctions and services;
- Wish to explore an array of detention and correctional building options, including prototypical or quasi-prototypical concepts/designs for local correctional facilities, multipurpose justice centers, and regional facilities; and
- Are interested in learning about/applying community-based alternatives to help control and prevent jail overcrowding due to growing problems involving alcohol, substance abuse, and methamphetamine.

CSCATL and VOI/TIS funds expended from fiscal years 2009 through September 30, 2013, are as follows:

Dollars in Thousands	2013	2012	2011	2010	2009
Grants to Indian Tribes	\$52,980	\$97,553	\$52,339	\$24,768	\$14,320
Grants to States	-	84	(1,139)	11,389	41,561
Total	\$52,980	\$97,637	\$51,200	\$36,157	\$55,881

Other Information
Unaudited

See Independent Auditors' Report on the Financial Statements

**U. S. Department of Justice
Consolidating Balance Sheet
For the Fiscal Year Ended September 30, 2013**

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
ASSETS											
Intragovernmental											
Fund Balance with U.S. Treasury	\$ 110,344	\$ 4,864,402	\$ 610,946	\$ 12,960,107	\$ 565,885	\$ 2,896,019	\$ 166,940	\$ 1,033,784	\$ 17,644	\$ -	\$ 23,226,071
Investments, Net	6,068,165	318,275	-	-	-	-	-	-	264,520	-	6,650,960
Accounts Receivable, Net	3,322	273,984	15,992	4,857	47,032	319,723	26,418	4,348	35,262	(278,611)	452,327
Other Assets	-	49,978	6,052	39,907	37,257	22,779	1,021	-	-	(64,624)	92,370
Total Intragovernmental	6,181,831	5,506,639	632,990	13,004,871	650,174	3,238,521	194,379	1,038,132	317,426	(343,235)	30,421,728
Cash and Monetary Assets	64,219	46	-	-	14,983	85,326	9,681	543	-	-	174,798
Accounts Receivable, Net	-	43,992	130	225	4,295	24,088	296	5,053	3,813	-	81,892
Inventory and Related Property, Net	-	-	2,860	-	8,505	7,263	-	18,775	95,411	-	132,814
Forfeited Property, Net	141,354	-	-	-	-	-	-	-	-	-	141,354
General Property, Plant and Equipment, Net	603	143,530	281,488	7,622	352,660	2,713,644	197,183	6,239,845	80,748	-	10,017,323
Advances and Prepayments	-	1,151	-	406,686	12,387	18,423	1,163	4,315	49	-	444,174
Other Assets	-	-	184	-	-	-	28	4,189	276	-	4,677
Total Assets	\$ 6,388,007	\$ 5,695,358	\$ 917,652	\$ 13,419,404	\$ 1,043,004	\$ 6,087,265	\$ 402,730	\$ 7,310,852	\$ 497,723	\$ (343,235)	\$ 41,418,760
LIABILITIES											
Intragovernmental											
Accounts Payable	\$ 105,395	\$ 176,035	\$ 44,845	\$ 21,825	\$ 28,681	\$ 188,580	\$ 11,830	\$ 36,356	\$ 3,476	\$ (277,770)	\$ 339,253
Accrued FECA Liabilities	-	9,603	17,207	24	26,949	31,303	20,828	158,816	2,135	-	266,865
Custodial Liabilities	-	1,171,842	-	-	2,856	-	-	-	-	-	1,174,698
Other Liabilities	146	36,309	4,687	67,173	7,882	57,541	4,210	31,241	60,332	(65,465)	204,056
Total Intragovernmental	105,541	1,393,789	66,739	89,022	66,368	277,424	36,868	226,413	65,943	(343,235)	1,984,872
Accounts Payable	2,847,058	292,972	213,150	20,591	80,006	323,056	38,013	347,010	41,405	-	4,203,261
Accrued Grant Liabilities	-	121,574	-	266,055	-	-	-	-	-	-	387,629
Actuarial FECA Liabilities	-	60,484	103,024	327	169,801	191,516	129,310	956,439	21,715	-	1,632,616
Accrued Payroll and Benefits	1,278	53,231	20,855	5,540	25,606	84,948	13,008	61,401	3,754	-	269,621
Accrued Annual and Compensatory Leave Liabilities	1,726	178,487	42,572	5,958	96,571	273,017	49,123	171,578	7,337	-	826,369
Environmental and Disposal Liabilities	-	-	-	-	-	10,451	-	66,225	-	-	76,676
Deferred Revenue	141,354	-	-	-	477,890	-	-	2,196	-	-	621,440
Seized Cash and Monetary Instruments	1,435,283	-	-	-	470	46,371	3,563	-	-	-	1,485,687
Contingent Liabilities	-	5,000	-	-	8,466	8,420	-	4,685	-	-	26,571
Capital Lease Liabilities	-	-	-	-	-	-	-	8,716	47	-	8,763
Radiation Exposure Compensation Act Liabilities	-	660,465	-	-	-	-	-	-	-	-	660,465
9/11 Victim Compensation Fund	-	2,751,712	-	-	-	-	-	-	-	-	2,751,712
Other Liabilities	-	200,739	15,440	-	9,886	7,669	956	176,621	-	-	411,311
Total Liabilities	\$ 4,532,240	\$ 5,718,453	\$ 461,780	\$ 387,493	\$ 935,064	\$ 1,222,872	\$ 270,841	\$ 2,021,284	\$ 140,201	\$ (343,235)	\$ 15,346,993
NET POSITION											
Unexpended Appropriations - Funds from Dedicated Collections	\$ -	\$ 35,768	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,768
Unexpended Appropriations - All Other Funds	-	2,602,197	299,299	2,969,711	386,251	1,822,476	131,994	437,193	-	-	8,649,121
Cumulative Results of Operations - Funds from Dedicated Collections	1,855,767	244,863	-	10,057,641	(311,492)	-	-	93,693	-	-	11,940,472
Cumulative Results of Operations - All Other Funds	-	(2,905,923)	156,573	4,559	33,181	3,041,917	(105)	4,758,682	357,522	-	5,446,406
Total Net Position	\$ 1,855,767	\$ (23,095)	\$ 455,872	\$ 13,031,911	\$ 107,940	\$ 4,864,393	\$ 131,889	\$ 5,289,568	\$ 357,522	\$ -	\$ 26,071,767
Total Liabilities and Net Position	\$ 6,388,007	\$ 5,695,358	\$ 917,652	\$ 13,419,404	\$ 1,043,004	\$ 6,087,265	\$ 402,730	\$ 7,310,852	\$ 497,723	\$ (343,235)	\$ 41,418,760

**U. S. Department of Justice
Consolidating Balance Sheet
For the Fiscal Year Ended September 30, 2012**

	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
ASSETS											
Intragovernmental											
Fund Balance with U.S. Treasury	\$ 78,375	\$ 5,702,037	\$ 488,186	\$ 12,614,717	\$ 694,616	\$ 3,601,365	\$ 232,563	\$ 1,305,195	\$ 28,244	\$ -	\$ 24,745,298
Investments, Net	5,631,124	310,479	-	-	-	-	-	-	272,300	-	6,213,903
Accounts Receivable, Net	6,035	322,530	145,641	6,642	51,930	143,146	37,105	3,653	21,578	(413,933)	324,327
Other Assets	2,339	79,029	7,093	47,203	32,442	30,187	1,514	165,000	-	(98,234)	266,573
Total Intragovernmental	5,717,873	6,414,075	640,920	12,668,562	778,988	3,774,698	271,182	1,473,848	322,122	(512,167)	31,550,101
Cash and Monetary Assets	106,166	46	-	-	15,337	67,135	71,196	802	-	-	260,682
Accounts Receivable, Net	-	66,493	29	4,348	5,397	27,069	352	7,361	4,563	-	115,612
Inventory and Related Property, Net	-	106	2,742	-	7,588	7,310	-	19,609	129,254	-	166,609
Forfeited Property, Net	145,111	-	-	-	-	-	-	-	-	-	145,111
General Property, Plant and Equipment, Net	1,150	133,777	265,904	11,006	381,780	2,811,251	206,737	6,286,908	87,631	-	10,186,144
Advances and Prepayments	-	1,132	47	693,159	12,030	48,789	963	4,622	128	-	760,870
Other Assets	-	-	184	-	-	-	-	4,701	700	-	5,585
Total Assets	\$ 5,970,300	\$ 6,615,629	\$ 909,826	\$ 13,377,075	\$ 1,201,120	\$ 6,736,252	\$ 550,430	\$ 7,797,851	\$ 544,398	\$ (512,167)	\$ 43,190,714
LIABILITIES											
Intragovernmental											
Accounts Payable	\$ 71,352	\$ 310,984	\$ 25,874	\$ 22,536	\$ 35,216	\$ 183,590	\$ 13,996	\$ 47,558	\$ 3,538	\$ (412,069)	\$ 302,575
Accrued FECA Liabilities	-	9,860	16,753	69	27,152	31,101	20,852	152,884	1,981	-	260,652
Custodial Liabilities	-	1,110,517	-	-	3,781	-	-	-	-	-	1,114,298
Other Liabilities	39	51,451	12,439	107,620	20,095	99,996	10,450	69,148	97,573	(100,098)	368,713
Total Intragovernmental	71,391	1,482,812	55,066	130,225	86,244	314,687	45,298	269,590	103,092	(512,167)	2,046,238
Accounts Payable	2,596,491	306,823	244,011	33,317	85,690	462,174	42,947	291,709	44,894	-	4,108,056
Accrued Grant Liabilities	-	167,668	-	436,451	-	-	-	-	-	-	604,119
Actuarial FECA Liabilities	-	56,121	93,617	442	158,435	176,422	116,959	853,362	18,920	-	1,474,278
Accrued Payroll and Benefits	151	135,398	36,317	7,910	64,151	213,448	33,917	155,218	7,399	-	653,909
Accrued Annual and Compensatory Leave Liabilities	246	181,786	43,258	6,011	98,986	277,074	51,019	171,739	8,133	-	838,252
Environmental and Disposal Liabilities	-	-	-	-	-	10,219	-	64,222	-	-	74,441
Deferred Revenue	145,111	-	-	-	409,396	-	-	1,957	-	-	556,464
Seized Cash and Monetary Instruments	1,536,523	-	-	-	450	45,262	4,932	-	-	-	1,587,167
Contingent Liabilities	-	3,565	-	-	8,968	11,788	-	4,230	120	-	28,671
Capital Lease Liabilities	-	-	-	9	-	-	394	16,627	66	-	17,096
Radiation Exposure Compensation Act Liabilities	-	731,237	-	-	-	-	-	-	-	-	731,237
9/11 Victim Compensation Fund	-	2,766,400	-	-	-	-	-	-	-	-	2,766,400
Other Liabilities	-	209,775	8,532	-	10,555	6,342	61,073	159,380	-	-	455,657
Total Liabilities	\$ 4,349,913	\$ 6,041,585	\$ 480,801	\$ 614,365	\$ 922,875	\$ 1,517,416	\$ 356,539	\$ 1,988,034	\$ 182,624	\$ (512,167)	\$ 15,941,985
NET POSITION											
Unexpended Appropriations - Funds from Dedicated Collections	\$ -	\$ 25,963	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,963
Unexpended Appropriations - All Other Funds	-	3,355,787	259,570	3,478,217	499,366	2,151,355	175,104	649,416	-	-	10,568,815
Cumulative Results of Operations - Funds from Dedicated Collections	1,620,387	255,718	-	9,273,109	(285,887)	-	-	86,212	-	-	10,949,539
Cumulative Results of Operations - All Other Funds	-	(3,063,424)	169,455	11,384	64,766	3,067,481	18,787	5,074,189	361,774	-	5,704,412
Total Net Position	\$ 1,620,387	\$ 574,044	\$ 429,025	\$ 12,762,710	\$ 278,245	\$ 5,218,836	\$ 193,891	\$ 5,809,817	\$ 361,774	\$ -	\$ 27,248,729
Total Liabilities and Net Position	\$ 5,970,300	\$ 6,615,629	\$ 909,826	\$ 13,377,075	\$ 1,201,120	\$ 6,736,252	\$ 550,430	\$ 7,797,851	\$ 544,398	\$ (512,167)	\$ 43,190,714

U. S. Department of Justice
Consolidating Statement of Net Cost
For the Fiscal Year Ended September 30, 2013

II-82

Department of Justice • FY 2013 Agency Financial Report

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
Goal 1: Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law											
Gross Cost - Intragovernmental	\$ -	\$ 57,140	\$ 37,872	\$ -	\$ 12,714	\$ 1,361,909	\$ -	\$ -	\$ -	\$ (116,086)	\$ 1,353,549
Gross Cost - With the Public	-	118,473	42,396	-	125,342	3,649,619	4,834	-	-	-	3,940,664
Subtotal Gross Costs	-	175,613	80,268	-	138,056	5,011,528	4,834	-	-	(116,086)	5,294,213
Earned Revenues - Intragovernmental	-	13,267	-	-	44,666	457,250	-	-	-	(116,086)	399,097
Earned Revenues - With the Public	-	43	-	-	4	16,344	-	-	-	-	16,391
Subtotal Earned Revenues	-	13,310	-	-	44,670	473,594	-	-	-	(116,086)	415,488
Subtotal Net Cost of Operations	\$ -	\$ 162,303	\$ 80,268	\$ -	\$ 93,386	\$ 4,537,934	\$ 4,834	\$ -	\$ -	\$ -	\$ 4,878,725
Goal 2: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law											
Gross Cost - Intragovernmental	\$ 501,418	\$ 1,850,572	\$ 79,516	\$ 59,681	\$ 898,217	\$ 829,830	\$ 375,869	\$ -	\$ -	\$ (945,821)	\$ 3,649,282
Gross Cost - With the Public	1,286,133	3,959,037	164,286	989,297	1,896,782	2,199,434	868,544	7,907	-	-	11,371,420
Subtotal Gross Costs	1,787,551	5,809,609	243,802	1,048,978	2,794,999	3,029,264	1,244,413	7,907	-	(945,821)	15,020,702
Earned Revenues - Intragovernmental	12,201	777,941	-	11,164	439,466	342,743	74,433	-	-	(945,821)	712,127
Earned Revenues - With the Public	-	438,610	-	-	280,596	397	847	-	-	-	720,450
Subtotal Earned Revenues	12,201	1,216,551	-	11,164	720,062	343,140	75,280	-	-	(945,821)	1,432,577
Subtotal Net Cost of Operations	\$ 1,775,350	\$ 4,593,058	\$ 243,802	\$ 1,037,814	\$ 2,074,937	\$ 2,686,124	\$ 1,169,133	\$ 7,907	\$ -	\$ -	\$ 13,588,125
Goal 3: Ensure and Support the Fair, Impartial, Efficient, and Transparent Administration of Justice at the Federal, State, Local, Tribal, and International Levels											
Gross Cost - Intragovernmental	\$ -	\$ 128,592	\$ 492,089	\$ 77,203	\$ -	\$ 254,103	\$ -	\$ 1,671,102	\$ 97,638	\$ (395,115)	\$ 2,325,612
Gross Cost - With the Public	-	401,505	2,350,380	1,578,410	-	798,910	-	5,944,800	549,915	-	11,623,920
Subtotal Gross Costs	-	530,097	2,842,469	1,655,613	-	1,053,013	-	7,615,902	647,553	(395,115)	13,949,532
Earned Revenues - Intragovernmental	-	6,731	52,811	26,882	-	358,899	-	20,950	573,233	(374,046)	665,460
Earned Revenues - With the Public	-	-	4,941	314	-	154,485	-	398,643	41,509	-	599,892
Subtotal Earned Revenues	-	6,731	57,752	27,196	-	513,384	-	419,593	614,742	(374,046)	1,265,352
Subtotal Net Cost of Operations	\$ -	\$ 523,366	\$ 2,784,717	\$ 1,628,417	\$ -	\$ 539,629	\$ -	\$ 7,196,309	\$ 32,811	\$ (21,069)	\$ 12,684,180
Total Net Cost of Operations	\$ 1,775,350	\$ 5,278,727	\$ 3,108,787	\$ 2,666,231	\$ 2,168,323	\$ 7,763,687	\$ 1,173,967	\$ 7,204,216	\$ 32,811	\$ (21,069)	\$ 31,151,030

U. S. Department of Justice
Consolidating Statement of Net Cost
For the Fiscal Year Ended September 30, 2012

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
Goal 1: Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law											
Gross Cost - Intragovernmental	\$ -	\$ 99,284	\$ 4,794	\$ -	\$ 17,534	\$ 1,424,724	\$ -	\$ -	\$ -	\$ (119,355)	\$ 1,426,981
Gross Cost - With the Public	-	282,552	-	-	94,180	3,917,146	6,419	-	-	-	4,300,297
Subtotal Gross Costs	-	381,836	4,794	-	111,714	5,341,870	6,419	-	-	(119,355)	5,727,278
Earned Revenues - Intragovernmental	-	87,077	-	-	12,630	458,969	-	-	-	(119,355)	439,321
Earned Revenues - With the Public	-	29,042	-	-	-	1,870	-	-	-	-	30,912
Subtotal Earned Revenues	-	116,119	-	-	12,630	460,839	-	-	-	(119,355)	470,233
Subtotal Net Cost of Operations	\$ -	\$ 265,717	\$ 4,794	\$ -	\$ 99,084	\$ 4,881,031	\$ 6,419	\$ -	\$ -	\$ -	\$ 5,257,045
Goal 2: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law											
Gross Cost - Intragovernmental	\$ 382,840	\$ 1,804,101	\$ 32,637	\$ 45,938	\$ 892,256	\$ 790,598	\$ 383,250	\$ -	\$ -	\$ (970,264)	\$ 3,361,356
Gross Cost - With the Public	3,936,567	6,787,015	-	952,857	1,945,542	2,173,677	895,426	7,242	-	-	16,698,326
Subtotal Gross Costs	4,319,407	8,591,116	32,637	998,795	2,837,798	2,964,275	1,278,676	7,242	-	(970,264)	20,059,682
Earned Revenues - Intragovernmental	10,585	529,236	-	4,839	473,274	340,061	80,866	-	-	(970,264)	468,597
Earned Revenues - With the Public	-	395,064	-	-	251,099	-	503	-	-	-	646,666
Subtotal Earned Revenues	10,585	924,300	-	4,839	724,373	340,061	81,369	-	-	(970,264)	1,115,263
Subtotal Net Cost of Operations	\$ 4,308,822	\$ 7,666,816	\$ 32,637	\$ 993,956	\$ 2,113,425	\$ 2,624,214	\$ 1,197,307	\$ 7,242	\$ -	\$ -	\$ 18,944,419
Goal 3: Ensure and Support the Fair, Impartial, Efficient, and Transparent Administration of Justice at the Federal, State, Local, Tribal, and International Levels											
Gross Cost - Intragovernmental	\$ -	\$ 1,808,388	\$ 544,969	\$ 148,858	\$ -	\$ 280,253	\$ -	\$ 1,664,927	\$ 164,798	\$ (1,883,179)	\$ 2,729,014
Gross Cost - With the Public	-	665,148	2,609,317	2,316,455	-	770,530	-	5,834,650	598,300	-	12,794,400
Subtotal Gross Costs	-	2,473,536	3,154,286	2,465,313	-	1,050,783	-	7,499,577	763,098	(1,883,179)	15,523,414
Earned Revenues - Intragovernmental	-	159,062	1,537,097	22,310	-	334,507	-	20,904	651,713	(1,858,461)	867,132
Earned Revenues - With the Public	-	66,119	6,548	148	-	151,387	-	389,401	49,573	-	663,176
Subtotal Earned Revenues	-	225,181	1,543,645	22,458	-	485,894	-	410,305	701,286	(1,858,461)	1,530,308
Subtotal Net Cost of Operations	\$ -	\$ 2,248,355	\$ 1,610,641	\$ 2,442,855	\$ -	\$ 564,889	\$ -	\$ 7,089,272	\$ 61,812	\$ (24,718)	\$ 13,993,106
Total Net Cost of Operations	\$ 4,308,822	\$ 10,180,888	\$ 1,648,072	\$ 3,436,811	\$ 2,212,509	\$ 8,070,134	\$ 1,203,726	\$ 7,096,514	\$ 61,812	\$ (24,718)	\$ 38,194,570

**U. S. Department of Justice
Consolidating Statement of Changes in Net Position
For the Fiscal Year Ended September 30, 2013**

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
Unexpended Appropriations											
Beginning Balances											
Funds from Dedicated Collections	\$ -	\$ 25,963	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,963
All Other Funds	-	3,355,787	259,570	3,478,217	499,366	2,151,355	175,104	649,416	-	-	10,568,815
Budgetary Financing Sources											
Appropriations Received											
Funds from Dedicated Collections	-	80,267	-	-	-	-	-	-	-	-	80,267
All Other Funds	-	5,162,454	2,853,383	1,625,218	2,051,904	8,276,009	1,153,575	6,920,217	-	-	28,042,760
Appropriations Transferred-In/Out											
Funds from Dedicated Collections	-	5,343	-	-	-	-	-	-	-	-	5,343
All Other Funds	-	(148,325)	436,713	(10,533)	21,557	(134,901)	(1,223)	87,214	-	-	250,502
Other Adjustments											
Funds from Dedicated Collections	-	(3,419)	-	-	-	-	-	-	-	-	(3,419)
All Other Funds	-	(678,225)	(197,806)	(172,141)	(145,260)	(730,365)	(83,035)	(540,312)	-	-	(2,547,144)
Appropriations Used											
Funds from Dedicated Collections	-	(72,386)	-	-	-	-	-	-	-	-	(72,386)
All Other Funds	-	(5,089,494)	(3,052,561)	(1,951,050)	(2,041,316)	(7,739,622)	(1,112,427)	(6,679,342)	-	-	(27,665,812)
Total Financing Sources											
Funds from Dedicated Collections	-	9,805	-	-	-	-	-	-	-	-	9,805
All Other Funds	-	(753,590)	39,729	(508,506)	(113,115)	(328,879)	(43,110)	(212,223)	-	-	(1,919,694)
Net Change											
Funds from Dedicated Collections	-	9,805	-	-	-	-	-	-	-	-	9,805
All Other Funds	-	(753,590)	39,729	(508,506)	(113,115)	(328,879)	(43,110)	(212,223)	-	-	(1,919,694)
Ending Balances											
Funds from Dedicated Collections	-	35,768	-	-	-	-	-	-	-	-	35,768
All Other Funds	-	2,602,197	299,299	2,969,711	386,251	1,822,476	131,994	437,193	-	-	8,649,121
Total All Funds	\$ -	\$ 2,637,965	\$ 299,299	\$ 2,969,711	\$ 386,251	\$ 1,822,476	\$ 131,994	\$ 437,193	\$ -	\$ -	\$ 8,684,889

U. S. Department of Justice
Consolidating Statement of Changes in Net Position - Continued
For the Fiscal Year Ended September 30, 2013

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
Cumulative Results of Operations											
Beginning Balances											
Funds from Dedicated Collections	\$ 1,620,387	\$ 255,718	\$ -	\$ 9,273,109	\$ (285,887)	\$ -	\$ -	\$ 86,212	\$ -	\$ -	\$ 10,949,539
All Other Funds	-	(3,063,424)	169,455	11,384	64,766	3,067,481	18,787	5,074,189	361,774	-	5,704,412
Adjustments:											
Changes in Accounting Principles (Note 26)											
Funds from Dedicated Collections	(531)	(1,087)	-	-	(473)	-	-	-	-	-	(2,091)
All Other Funds	-	(13,527)	-	(1,199)	(11,867)	(237,177)	-	(8,787)	-	-	(272,557)
Beginning Balances, as Adjusted											
Funds from Dedicated Collections	1,619,856	254,631	-	9,273,109	(286,360)	-	-	86,212	-	-	10,947,448
All Other Funds	-	(3,076,951)	169,455	10,185	52,899	2,830,304	18,787	5,065,402	361,774	-	5,431,855
Budgetary Financing Sources											
Other Adjustments											
All Other Funds	-	(26,000)	-	-	-	-	-	-	-	-	(26,000)
Appropriations Used											
Funds from Dedicated Collections	-	72,386	-	-	-	-	-	-	-	-	72,386
All Other Funds	-	5,089,494	3,052,561	1,951,050	2,041,316	7,739,622	1,112,427	6,679,342	-	-	27,665,812
Nonexchange Revenues											
Funds from Dedicated Collections	5,106	1,341	-	1,489,583	-	-	-	-	-	-	1,496,030
All Other Funds	-	-	-	320	-	2	-	-	-	-	322
Donations and Forfeitures of Cash and Cash Equivalents											
Funds from Dedicated Collections	1,826,480	-	-	-	-	-	-	-	-	-	1,826,480
Transfers-In/Out Without Reimbursement											
All Other Funds	-	147,559	-	-	-	(7,329)	-	-	-	-	140,230
Other Financing Sources											
Donations and Forfeitures of Property											
Funds from Dedicated Collections	185,769	-	-	-	-	-	-	-	-	-	185,769
All Other Funds	-	-	-	-	-	-	-	3	-	-	3
Transfers-In/Out Without Reimbursement											
Funds from Dedicated Collections	(7,273)	-	-	-	-	-	-	(7)	-	-	(7,280)
All Other Funds	-	4,837	1,670	110	4,762	(7,803)	5,645	139	-	-	9,360
Imputed Financing from Costs Absorbed by Others											
Funds from Dedicated Collections	1,179	951	-	-	9,055	-	-	4,033	-	-	15,218
All Other Funds	-	149,419	41,674	4,074	68,340	256,974	37,003	221,467	28,559	(21,069)	786,441
Other Financing Sources											
All Other Funds	-	-	-	-	-	(6,166)	-	-	-	-	(6,166)
Total Financing Sources											
Funds from Dedicated Collections	2,011,261	74,678	-	1,489,583	9,055	-	-	4,026	-	-	3,588,603
All Other Funds	-	5,365,309	3,095,905	1,955,554	2,114,418	7,975,300	1,155,075	6,900,951	28,559	(21,069)	28,570,002
Net Cost of Operations											
Funds from Dedicated Collections	(1,775,350)	(84,446)	-	(705,051)	(34,187)	-	-	3,455	-	-	(2,595,579)
All Other Funds	-	(5,194,281)	(3,108,787)	(1,961,180)	(2,134,136)	(7,763,687)	(1,173,967)	(7,207,671)	(32,811)	21,069	(28,555,451)
Net Change											
Funds from Dedicated Collections	235,911	(9,768)	-	784,532	(25,132)	-	-	7,481	-	-	993,024
All Other Funds	-	171,028	(12,882)	(5,626)	(19,718)	211,613	(18,892)	(306,720)	(4,252)	-	14,551
Ending Balances											
Funds from Dedicated Collections	1,855,767	244,863	-	10,057,641	(311,492)	-	-	93,693	-	-	11,940,472
All Other Funds	-	(2,905,923)	156,573	4,559	33,181	3,041,917	(105)	4,758,682	357,522	-	5,446,406
Total All Funds	\$ 1,855,767	\$ (2,661,060)	\$ 156,573	\$ 10,062,200	\$ (278,311)	\$ 3,041,917	\$ (105)	\$ 4,852,375	\$ 357,522	\$ -	\$ 17,386,878
Net Position - Funds from Dedicated Collections											
	1,855,767	280,631	-	10,057,641	(311,492)	-	-	93,693	-	-	11,976,240
Net Position - All Other Funds											
	-	(303,726)	455,872	2,974,270	419,432	4,864,393	131,889	5,195,875	357,522	-	14,095,527
Net Position - Total	\$ 1,855,767	\$ (23,095)	\$ 455,872	\$ 13,031,911	\$ 107,940	\$ 4,864,393	\$ 131,889	\$ 5,289,568	\$ 357,522	\$ -	\$ 26,071,767

**U. S. Department of Justice
Consolidating Statement of Changes in Net Position
For the Fiscal Year Ended September 30, 2012**

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
Unexpended Appropriations											
Beginning Balances											
Funds from Dedicated Collections	\$ -	\$ 21,727	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,727
All Other Funds	-	3,472,362	257,093	4,605,970	503,763	2,194,512	174,210	744,671	-	-	11,952,581
Budgetary Financing Sources											
Appropriations Received											
Funds from Dedicated Collections	-	72,044	-	-	-	-	-	-	-	-	72,044
All Other Funds	-	6,848,091	1,189,000	1,638,300	2,035,000	8,117,973	1,152,000	6,641,281	-	-	27,621,645
Appropriations Transferred-In/Out											
All Other Funds	-	(28,074)	416,211	(8,470)	27,254	(60,821)	(15,067)	(562)	-	-	330,471
Other Adjustments											
All Other Funds	-	(40,561)	(2,200)	(55,000)	(10,000)	-	-	(45,000)	-	-	(152,761)
Appropriations Used											
Funds from Dedicated Collections	-	(67,808)	-	-	-	-	-	-	-	-	(67,808)
All Other Funds	-	(6,896,031)	(1,600,534)	(2,702,583)	(2,056,651)	(8,100,309)	(1,136,039)	(6,690,974)	-	-	(29,183,121)
Total Financing Sources											
Funds from Dedicated Collections	-	4,236	-	-	-	-	-	-	-	-	4,236
All Other Funds	-	(116,575)	2,477	(1,127,753)	(4,397)	(43,157)	894	(95,255)	-	-	(1,383,766)
Net Change											
Funds from Dedicated Collections	-	4,236	-	-	-	-	-	-	-	-	4,236
All Other Funds	-	(116,575)	2,477	(1,127,753)	(4,397)	(43,157)	894	(95,255)	-	-	(1,383,766)
Ending Balances											
Funds from Dedicated Collections	-	25,963	-	-	-	-	-	-	-	-	25,963
All Other Funds	-	3,355,787	259,570	3,478,217	499,366	2,151,355	175,104	649,416	-	-	10,568,815
Total All Funds	\$ -	\$ 3,381,750	\$ 259,570	\$ 3,478,217	\$ 499,366	\$ 2,151,355	\$ 175,104	\$ 649,416	\$ -	\$ -	\$ 10,594,778

U. S. Department of Justice
Consolidating Statement of Changes in Net Position - Continued
For the Fiscal Year Ended September 30, 2012

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Eliminations	Consolidated
Cumulative Results of Operations											
Beginning Balances											
Funds from Dedicated Collections	\$ 1,760,544	\$ 252,629	\$ -	\$ 7,202,248	\$ (232,162)	\$ -	\$ -	\$ 83,557	\$ -	\$ -	\$ 9,066,816
All Other Funds	-	(56,544)	165,165	13,156	87,367	2,760,450	30,179	5,092,691	390,025	-	8,482,489
Budgetary Financing Sources											
Other Adjustments											
All Other Funds	-	(40,000)	-	-	-	-	-	-	-	-	(40,000)
Appropriations Used											
Funds from Dedicated Collections	-	67,808	-	-	-	-	-	-	-	-	67,808
All Other Funds	-	6,896,031	1,600,534	2,702,583	2,056,651	8,100,309	1,136,039	6,690,974	-	-	29,183,121
Nonexchange Revenues											
Funds from Dedicated Collections	3,327	4,085	-	2,795,573	-	-	-	-	-	-	2,802,985
All Other Funds	-	-	-	975	-	-	-	-	-	-	975
Donations and Forfeitures of Cash and Cash Equivalents											
Funds from Dedicated Collections	4,194,465	-	-	-	-	-	-	-	-	-	4,194,465
Transfers-In/Out Without Reimbursement											
All Other Funds	-	109,395	-	-	-	-	-	-	-	-	109,395
Other Financing Sources											
Donations and Forfeitures of Property											
Funds from Dedicated Collections	120,245	-	-	-	-	-	-	-	-	-	120,245
All Other Funds	-	-	-	-	-	-	-	30	-	-	30
Transfers-In/Out Without Reimbursement											
Funds from Dedicated Collections	(149,908)	-	-	-	-	-	-	-	-	-	(149,908)
All Other Funds	-	(36,621)	58	2,295	(1,374)	5,333	15,949	151,645	-	-	137,285
Imputed Financing from Costs Absorbed by Others											
Funds from Dedicated Collections	536	1,145	-	-	9,419	-	-	4,346	-	-	15,446
All Other Funds	-	175,254	51,770	4,474	71,487	276,722	40,346	233,672	33,561	(24,718)	862,568
Other Financing Sources											
All Other Funds	-	-	-	-	-	(5,199)	-	-	-	-	(5,199)
Total Financing Sources											
Funds from Dedicated Collections	4,168,665	73,038	-	2,795,573	9,419	-	-	4,346	-	-	7,051,041
All Other Funds	-	7,104,059	1,652,362	2,710,327	2,126,764	8,377,165	1,192,334	7,076,321	33,561	(24,718)	30,248,175
Net Cost of Operations											
Funds from Dedicated Collections	(4,308,822)	(69,949)	-	(724,712)	(63,144)	-	-	(1,691)	-	-	(5,168,318)
All Other Funds	-	(10,110,939)	(1,648,072)	(2,712,099)	(2,149,365)	(8,070,134)	(1,203,726)	(7,094,823)	(61,812)	24,718	(33,026,252)
Net Change											
Funds from Dedicated Collections	(140,157)	3,089	-	2,070,861	(53,725)	-	-	2,655	-	-	1,882,723
All Other Funds	-	(3,006,880)	4,290	(1,772)	(22,601)	307,031	(11,392)	(18,502)	(28,251)	-	(2,778,077)
Ending Balances											
Funds from Dedicated Collections	1,620,387	255,718	-	9,273,109	(285,887)	-	-	86,212	-	-	10,949,539
All Other Funds	-	(3,063,424)	169,455	11,384	64,766	3,067,481	18,787	5,074,189	361,774	-	5,704,412
Total All Funds	\$ 1,620,387	\$ (2,807,706)	\$ 169,455	\$ 9,284,493	\$ (221,121)	\$ 3,067,481	\$ 18,787	\$ 5,160,401	\$ 361,774	\$ -	\$ 16,653,951
Net Position - Funds from Dedicated Collections											
	1,620,387	281,681	-	9,273,109	(285,887)	-	-	86,212	-	-	10,975,502
Net Position - All Other Funds											
	-	292,363	429,025	3,489,601	564,132	5,218,836	193,891	5,723,605	361,774	-	16,273,227
Net Position - Total	\$ 1,620,387	\$ 574,044	\$ 429,025	\$ 12,762,710	\$ 278,245	\$ 5,218,836	\$ 193,891	\$ 5,809,817	\$ 361,774	\$ -	\$ 27,248,729

**U. S. Department of Justice
Combining Statement of Custodial Activity
For the Fiscal Year Ended September 30, 2013**

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Combined
Revenue Activity										
Sources of Cash Collections										
Delinquent Federal Civil Debts as Required by the Federal Debt Recovery Act of 1986	\$ -	\$ 5,595,261	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,595,261
Fees and Licenses	-	-	-	-	15,000	-	28,392	-	-	43,392
Fines, Penalties and Restitution Payments - Civil	-	-	-	-	86,630	195	20	-	-	86,845
Fines, Penalties and Restitution Payments - Criminal	-	42,295	-	-	-	260	48	-	-	42,603
Miscellaneous	-	47	-	-	-	417	41,520	46	-	42,030
Total Cash Collections	\$ -	\$ 5,637,603	\$ -	\$ -	\$ 101,630	\$ 872	\$ 69,980	\$ 46	\$ -	\$ 5,810,131
Accrual Adjustments	-	-	-	-	(916)	5	(3)	-	-	(914)
Total Custodial Revenue	\$ -	\$ 5,637,603	\$ -	\$ -	\$ 100,714	\$ 877	\$ 69,977	\$ 46	\$ -	\$ 5,809,217
Disposition of Collections										
Transferred to Federal Agencies										
Library of Congress	-	(509)	-	-	-	-	-	-	-	(509)
U.S. Department of Agriculture	-	(136,258)	-	-	-	-	-	-	-	(136,258)
U.S. Department of Commerce	-	(6,000)	-	-	-	-	-	-	-	(6,000)
U.S. Department of the Interior	-	(36,174)	-	-	-	-	-	-	-	(36,174)
U.S. Department of Justice	-	(99,558)	-	-	-	-	-	-	-	(99,558)
U.S. Department of Labor	-	(3,897)	-	-	-	-	-	-	-	(3,897)
U.S. Postal Service	-	(26,790)	-	-	-	-	-	-	-	(26,790)
U.S. Department of State	-	(2,208)	-	-	-	-	-	-	-	(2,208)
U.S. Department of the Treasury	-	(2,025,807)	-	-	-	-	-	-	-	(2,025,807)
Office of Personnel Management	-	(43,447)	-	-	-	-	-	-	-	(43,447)
National Credit Union Administration	-	(1)	-	-	-	-	-	-	-	(1)
Federal Communications Commission	-	(757)	-	-	-	-	-	-	-	(757)
Social Security Administration	-	(699)	-	-	-	-	-	-	-	(699)
Smithsonian Institution	-	(8)	-	-	-	-	-	-	-	(8)
U.S. Department of Veterans Affairs	-	(123,179)	-	-	-	-	-	-	-	(123,179)
Equal Employment Opportunity Commission	-	(2)	-	-	-	-	-	-	-	(2)
General Services Administration	-	(51,966)	-	-	-	-	-	-	-	(51,966)
Securities and Exchange Commission	-	(3)	-	-	-	-	-	-	-	(3)
Federal Deposit Insurance Corporation	-	(419)	-	-	-	-	-	-	-	(419)
Railroad Retirement Board	-	(414)	-	-	-	-	-	-	-	(414)
Tennessee Valley Authority	-	(291)	-	-	-	-	-	-	-	(291)
Environmental Protection Agency	-	(185,060)	-	-	-	-	-	-	-	(185,060)
U.S. Department of Transportation	-	(5,185)	-	-	-	-	-	-	-	(5,185)
U.S. Department of Homeland Security	-	(131,067)	-	-	-	-	-	-	-	(131,067)
Agency for International Development	-	(44,212)	-	-	-	-	-	-	-	(44,212)
Small Business Administration	-	(14,792)	-	-	-	-	-	-	-	(14,792)
U.S. Department of Health and Human Services	-	(1,151,278)	-	-	-	-	-	-	-	(1,151,278)
National Aeronautics and Space Administration	-	(5,288)	-	-	-	-	-	-	-	(5,288)
Export-Import Bank of the United States	-	(13,855)	-	-	-	-	-	-	-	(13,855)
U.S. Department of Housing and Urban Development	-	(24,226)	-	-	-	-	-	-	-	(24,226)
U.S. Department of Energy	-	(10,585)	-	-	-	-	-	-	-	(10,585)
U.S. Department of Education	-	(23,219)	-	-	-	-	-	-	-	(23,219)
Independent Agencies	-	(114,607)	-	-	-	-	-	-	-	(114,607)
Treasury General Fund	-	(503,972)	-	-	(101,630)	(872)	(69,540)	(46)	-	(676,060)
U.S. Department of Defense	-	(120,707)	-	-	-	-	-	-	-	(120,707)
Transferred to the Public	-	(416,166)	-	-	-	-	-	-	-	(416,166)
(Increase)/Decrease in Amounts Yet to be Transferred	-	(52,289)	-	-	916	(5)	-	-	-	(51,378)
Refunds and Other Payments	-	(104,397)	-	-	-	-	(437)	-	-	(104,834)
Retained by the Reporting Entity	-	(158,311)	-	-	-	-	-	-	-	(158,311)
Total Disposition Of Collections	-	(5,637,603)	-	-	(100,714)	(877)	(69,977)	(46)	-	(5,809,217)
Net Custodial Activity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

U. S. Department of Justice
Combining Statement of Custodial Activity
For the Fiscal Year Ended September 30, 2012

Dollars in Thousands	AFF/SADF	OBDs	USMS	OJP	DEA	FBI	ATF	BOP	FPI	Combined
Revenue Activity										
Sources of Cash Collections										
Delinquent Federal Civil Debts as Required by the Federal Debt Recovery Act of 1986	\$ -	\$ 6,995,798	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,995,798
Fees and Licenses	-	-	-	-	15,000	-	21,710	-	-	36,710
Fines, Penalties and Restitution Payments - Civil	-	-	-	-	12,595	8,941	18	-	-	21,554
Fines, Penalties and Restitution Payments - Criminal	-	39,750	-	-	-	146	74	-	-	39,970
Miscellaneous	-	43	-	-	-	1,649	2,873	54	-	4,619
Total Cash Collections	\$ -	\$ 7,035,591	\$ -	\$ -	\$ 27,595	\$ 10,736	\$ 24,675	\$ 54	\$ -	\$ 7,098,651
Accrual Adjustments	-	-	-	-	(1,418)	-	13	-	-	(1,405)
Total Custodial Revenue	\$ -	\$ 7,035,591	\$ -	\$ -	\$ 26,177	\$ 10,736	\$ 24,688	\$ 54	\$ -	\$ 7,097,246
Disposition of Collections										
Transferred to Federal Agencies										
U.S. Department of Agriculture	-	(105,670)	-	-	-	-	-	-	-	(105,670)
U.S. Department of Commerce	-	(3,746)	-	-	-	-	-	-	-	(3,746)
U.S. Department of the Interior	-	(129,015)	-	-	-	-	-	-	-	(129,015)
U.S. Department of Justice	-	(21,085)	-	-	-	-	-	-	-	(21,085)
U.S. Department of Labor	-	(9,175)	-	-	-	-	-	-	-	(9,175)
U.S. Postal Service	-	(7,675)	-	-	-	-	-	-	-	(7,675)
U.S. Department of State	-	(26,613)	-	-	-	-	-	-	-	(26,613)
U.S. Department of the Treasury	-	(917,662)	-	-	-	-	-	-	-	(917,662)
Office of Personnel Management	-	(157,714)	-	-	-	-	-	-	-	(157,714)
Federal Communications Commission	-	(310)	-	-	-	-	-	-	-	(310)
Social Security Administration	-	(921)	-	-	-	-	-	-	-	(921)
Smithsonian Institution	-	(8)	-	-	-	-	-	-	-	(8)
U.S. Department of Veterans Affairs	-	(125,354)	-	-	-	-	-	-	-	(125,354)
General Services Administration	-	(130,087)	-	-	-	-	-	-	-	(130,087)
Securities and Exchange Commission	-	(411)	-	-	-	-	-	-	-	(411)
Federal Deposit Insurance Corporation	-	(59)	-	-	-	-	-	-	-	(59)
Railroad Retirement Board	-	(288)	-	-	-	-	-	-	-	(288)
Tennessee Valley Authority	-	(8)	-	-	-	-	-	-	-	(8)
Environmental Protection Agency	-	(189,137)	-	-	-	-	-	-	-	(189,137)
U.S. Department of Transportation	-	(13,674)	-	-	-	-	-	-	-	(13,674)
U.S. Department of Homeland Security	-	(66,585)	-	-	-	-	-	-	-	(66,585)
Agency for International Development	-	(511)	-	-	-	-	-	-	-	(511)
Small Business Administration	-	(6,371)	-	-	-	-	-	-	-	(6,371)
U.S. Department of Health and Human Services	-	(1,283,167)	-	-	-	-	-	-	-	(1,283,167)
National Aeronautics and Space Administration	-	(725)	-	-	-	-	-	-	-	(725)
Export-Import Bank of the United States	-	(17,264)	-	-	-	-	-	-	-	(17,264)
U.S. Department of Housing and Urban Development	-	(1,129,547)	-	-	-	-	-	-	-	(1,129,547)
National Archives&Records Administration	-	(29)	-	-	-	-	-	-	-	(29)
U.S. Department of Energy	-	(3,313)	-	-	-	-	-	-	-	(3,313)
U.S. Department of Education	-	(14,452)	-	-	-	-	-	-	-	(14,452)
Independent Agencies	-	(63,619)	-	-	-	-	-	-	-	(63,619)
Treasury General Fund	-	(642,790)	-	-	(27,595)	(10,736)	(24,328)	(54)	-	(705,503)
U.S. Department of Defense	-	(217,607)	-	-	-	-	-	-	-	(217,607)
Transferred to the Public	-	(508,622)	-	-	-	-	-	-	-	(508,622)
(Increase)/Decrease in Amounts Yet to be Transferred	-	(567,495)	-	-	1,418	-	-	-	-	(566,077)
Refunds and Other Payments	-	(512,825)	-	-	-	-	(360)	-	-	(513,185)
Retained by the Reporting Entity	-	(162,057)	-	-	-	-	-	-	-	(162,057)
Total Disposition Of Collections	-	(7,035,591)	-	-	(26,177)	(10,736)	(24,688)	(54)	-	(7,097,246)
Net Custodial Activity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**U. S. Department of Justice
Combined Schedule of Spending
For the Fiscal Year Ended September 30, 2013**

Dollars in Thousands	2013
What Money is Available to Spend?	
Total Resources	\$ 39,496,697
Less: Amount Available but Not Agreed to be Spent	3,024,593
Less: Amount Not Available to be Spent	970,374
Total Amounts Agreed to be Spent	\$ 35,501,730
How was the Money Spent?	
Personnel Compensation and Benefits	
1100 Personnel Compensation	\$ 10,574,604
1200 Personnel Benefits	4,256,801
1300 Former Personnel	5,312
Other Program Related Expenses	
2100 Travel & Transportation of Persons	384,746
2200 Transportation of Things	98,202
2300 Rent, Communications, and Utilities	3,087,135
2400 Printing and Reproduction	24,125
2500 Other Contractual Services	11,998,687
2600 Supplies and Materials	1,552,974
3100 Equipment	790,361
3200 Land and Structures	163,838
4100 Grants, Subsidies, and Contributions	2,429,742
4200 Insurance Claims and Indemnities	126,354
4300 Interest and Dividends	8,849
Total Amounts Agreed to be Spent	\$ 35,501,730
Who did the Money go to?	
For Profit	\$ 13,568,632
Government	6,389,316
Employees	13,201,095
Grants	1,952,345
Other	390,342
Total Amounts Agreed to be Spent	\$ 35,501,730