



Audit of the U.S. Department of Justice  
Annual Financial Statements  
Fiscal Year 2022



AUDIT DIVISION

23-037

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**MARCH 2023**

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# COMMENTARY AND SUMMARY

## Audit of the U.S. Department of Justice Annual Financial Statements Fiscal Year 2022

### Objectives

Pursuant to Section 304(a) of the Chief Financial Officers Act of 1990, as expanded by Section 405(b) of the Government Management Reform Act of 1994, the Department of Justice (Department) Office of the Inspector General (OIG) contracted with an independent auditor to perform an audit of the Department's annual financial statements.

The objectives of the audit were to opine on the financial statements; report on internal control over financial reporting; and report on compliance and other matters, including compliance with the Federal Financial Management Improvement Act of 1996 (FFMIA).

### Results in Brief

KPMG LLP (KPMG) found that the Department's financial statements are fairly presented as of and for the year ended September 30, 2022, and issued an unmodified opinion. KPMG identified one material weakness in the Independent Auditors' Report and did not report any instances of non-compliance.

The OIG reviewed KPMG's report 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 FFMIA, or conclusions on compliance and other matters. KPMG is responsible for the attached Independent Auditors' Report dated January 26, 2023, and the conclusions expressed in the report. Our review disclosed no instances where KPMG did not comply, in all material respects, with Government Auditing Standards.

### Recommendations

KPMG provided the Department four recommendations to improve its financial management and reporting controls and risk assessment process.

### Audit Results

Under the direction of the OIG, KPMG performed the Department's audit in accordance with auditing standards generally accepted in the United States of America. The fiscal year (FY) 2022 audit resulted in an unmodified opinion on the financial statements. 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. For FY 2021, the Department also received an unmodified opinion on its financial statements (OIG Audit Division Report Number 22-020).

KPMG identified one material weakness in the FY 2022 Independent Auditors' Report that involved BOP not maintaining effective internal controls over financial management and reporting, and the Department continuing to experience deficiencies in its risk assessment process. The financial management and reporting deficiencies identified by the auditors were isolated to the BOP and similar to the FY 2021 material weakness related to the BOP's financial statement preparation and review controls needing improvements. Specifically, the BOP continued to experience resource constraints throughout the organization that significantly impacted its ability to maintain internal controls over financial management. Additionally, the BOP's conversion to the Department's Unified Financial Management System (UFMS) in FY 2022 amplified the deficiencies.

No instances of non-compliance or other matters were identified during the audit that are required to be reported under Government Auditing Standards. Additionally, KPMG's tests disclosed no instances in which

the Department's financial management systems did not substantially comply with FFMA.

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

In FY 2022, the Department concluded its multi-year implementation—begun in 2009—to the UFMS. The BOP, a financially significant Department reporting component, was the last component within DOJ to convert from its legacy general ledger system to UFMS. The BOP's implementation of the recommendations in the Independent Auditors' Report will allow BOP to fully utilize UFMS functionality to support the Department's ongoing accounting operations and the preparation of financial statements, in order to achieve the economies of scale envisioned.

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# U.S. DEPARTMENT OF JUSTICE

## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)



## Management's Discussion and Analysis (Unaudited)

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Established July 1, 1870 (28 U.S.C. § 501 and 503), the DOJ is headed by the Attorney General of the United States. The Department was created to control federal law enforcement and all criminal prosecutions and civil suits in which the United States has an interest. The structure of the Department has changed over the years, with the addition of a Deputy Attorney General, Associate Attorney General, Assistant Attorneys General, and the formation of Divisions and components; however, unchanged is the commitment and response to securing equal justice for all, enhancing respect for the rule of law, and making America a safer and more secure Nation.

### Mission Statement

*The mission of the Department of Justice (DOJ) is to uphold the rule of law, to keep our country safe, and to protect civil rights.*

In carrying out the Department's mission, we are guided by the following values:

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**Independence and Impartiality.** The Justice Department works each day to earn the public's trust by following the facts and the law wherever they may lead, without prejudice or improper influence.

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**Honesty and Integrity.** The Justice Department's employees adhere to the highest standards of ethical behavior, mindful that, as public servants, we must work to earn the trust of, and inspire confidence in, the public we serve.

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**Respect.** The Justice Department's employees value differences in people and in ideas and treat everyone with fairness, dignity, and compassion.

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**Excellence.** The Justice Department works every day to provide the highest levels of service to the American people and to be a responsible steward of the taxpayers' dollars.

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## Organizational Structure

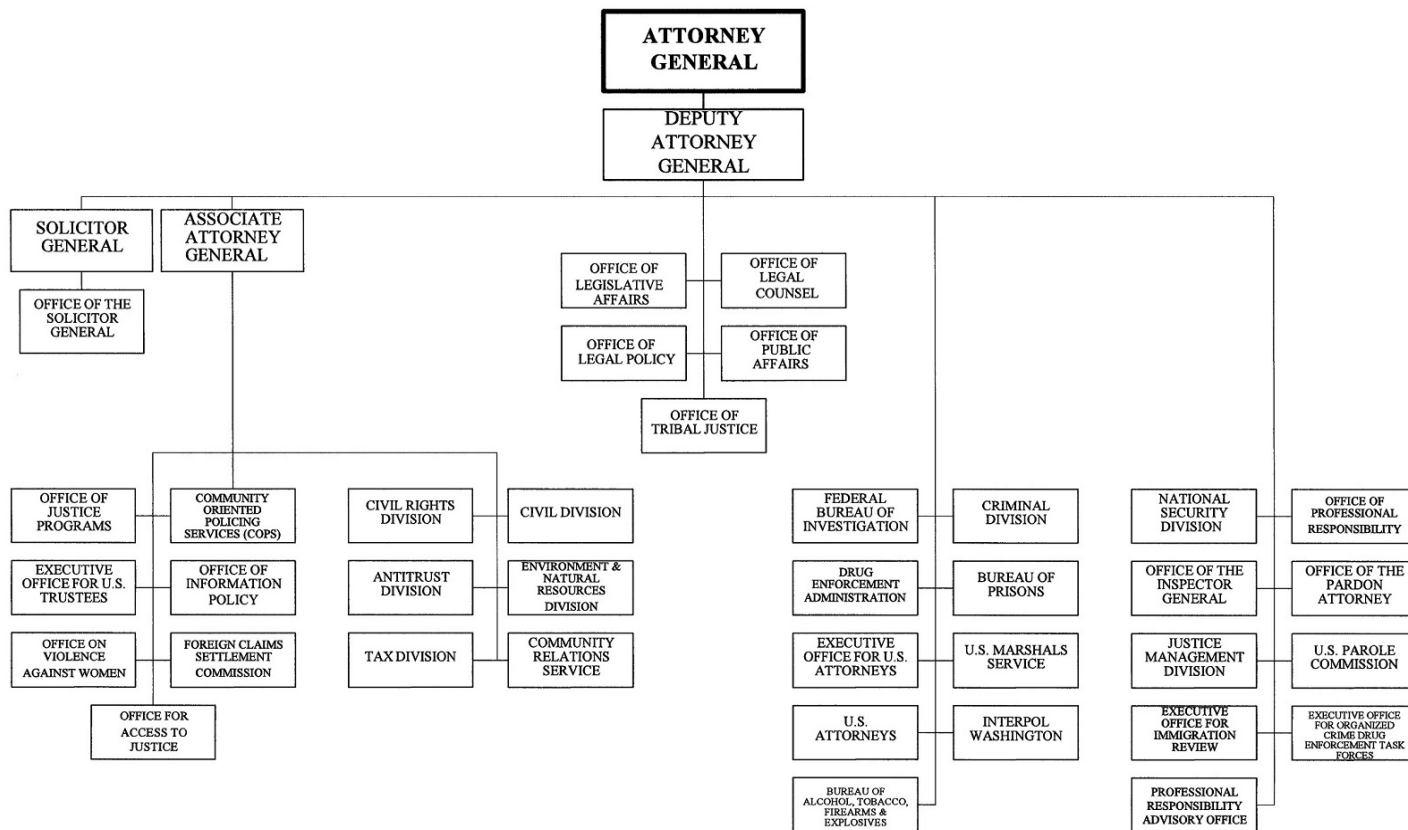
Led by the Attorney General, the Justice Department is comprised of more than forty separate component organizations. There are nearly 115,600 employees of the Department who ensure that the individual component missions, and the overarching Department mission, is carried out. These include major investigative components such as the Federal Bureau of Investigation (FBI), the Drug Enforcement Administration (DEA), and the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF).

The Department's litigating divisions represent the rights and interests of the American people and enforce federal criminal and civil laws. The major litigating divisions are comprised of the Antitrust (ATR), Civil (CIV), Civil Rights (CRT), Criminal (CRM), Environment and Natural Resources (ENRD), Tax (TAX) Divisions, and U.S. Attorneys (USAs).

The U.S. Marshals Service (USMS), protects the federal judiciary, apprehends fugitives, and detains persons in federal custody; the Federal Bureau of Prisons (BOP), confines convicted offenders; and the National Security Division (NSD), brings together national security, counter-terrorism, counterintelligence, and foreign intelligence surveillance operations under a single authority.

The Office of Justice Programs (OJP), the Office on Violence Against Women (OVW), and the Office of Community Oriented Policing Services (COPS) provide leadership and assistance to state, local, and tribal governments. Other major Departmental components include the Executive Office for U.S. Trustees (UST), Justice Management Division (JMD), the Executive Office for Immigration Review (EOIR), the Community Relations Service (CRS), the OIG, and several offices that advise the Attorney General on policy, law, legislation, tribal justice matters, external affairs, and oversight. Headquartered in Washington, D.C., the Department conducts its work in offices located throughout the country and overseas.

# U.S. DEPARTMENT OF JUSTICE



Approved by: *Merrick Garland* Date: 10-28-21  
 MERRICK B. GARLAND  
 Attorney General



## Financial Structure

As of September 30, 2022, the Department's financial reporting structure was comprised of nine principal components:

### Components:

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

### \*OBDs

#### Offices

Office of the Attorney General  
Office of the Deputy Attorney General  
Office of the Associate Attorney General  
Community Relations Service  
Executive Office for Immigration Review  
Executive Office for U.S. Attorneys  
Executive Office for U.S. Trustees  
Executive Office for Organized Crime  
Drug Enforcement Task Forces  
INTERPOL Washington  
Office of Access to Justice  
Office of Community Oriented Policing Services  
Office of Information Policy  
Office of Legal Counsel  
Office of Legal Policy  
Office of Legislative Affairs  
Office of Professional Responsibility  
Office of Public Affairs  
Office of the Inspector General  
Office of the Pardon Attorney  
Office of the Solicitor General  
Office of Tribal Justice  
Office on Violence Against Women  
Professional Responsibility Advisory Office  
U.S. Attorneys

#### Boards

Foreign Claims Settlement Commission  
U.S. Parole Commission

#### Divisions

Antitrust Division  
Civil Division  
Civil Rights Division  
Criminal Division  
Environment and Natural Resources Division  
Justice Management Division  
National Security Division  
Tax Division

## Strategic Goals and Objectives

From our mission and core values stem the Department’s strategic and annual planning processes. The Department embraces the concepts of performance-based management. At the heart of these concepts is the understanding that improved performance is realized through greater focus on mission, agreement on goals and objectives, and timely reporting of results. Strategic planning is the first step in an iterative planning and implementation cycle.

This cycle, which comes early in the Department’s process to implement performance-based management, involves setting long-term goals and objectives, translating these goals and objectives into budgets and program plans, implementing programs, monitoring performance, and evaluating results. In this cycle, the Department’s FYs 2022 - 2026 Strategic Plan provides an overarching framework for component and function-specific plans, as well as for annual performance plans, budgets, and reports. The Department’s FYs 2022 - 2026 Strategic Plan is available on the Department’s website: [DOJ Strategic Plan 2022 - 2026](https://www.justice.gov/doi-strategic-plan-2022-2026).<sup>3</sup>

The table below provides an overview of the Department’s FYs 2022 - 2026 strategic goals and objectives.

Strategic Goals		Strategic Objectives
1	Uphold the Rule of Law	1.1 Protect Our Democratic Institutions 1.2 Promote Good Government
2	Keep Our Country Safe	2.1 Protect National Security 2.2 Counter Foreign and Domestic Terrorism 2.3 Combat Violent Crime and Gun Violence 2.4 Enhance Cybersecurity and Fight Cybercrime 2.5 Combat Drug Trafficking and Prevent Overdose Deaths 2.6 Protect Vulnerable Communities
3	Protect Civil Rights	3.1 Protect the Right to Vote 3.2 Combat Discrimination and Hate Crimes 3.3 Reform and Strengthen the Criminal and Juvenile Justice Systems 3.4 Expand Equal Access to Justice 3.5 Advance Environmental Justice and Tackle the Climate Crisis
4	Ensure Economic Opportunity and Fairness for All	4.1 Reinvigorate Antitrust Enforcement and Consumer Protection 4.2 Combat Corruption, Financial Crime, and Fraud
5	Administer Just Court and Correctional Systems	5.1 Administer an Equitable and Efficient Immigration Court System 5.2 Maintain a Safe and Humane Prison System

<sup>3</sup> <https://www.justice.gov/doi-strategic-plan-2022-2026>

## Summary of Performance Information

The Department's performance planning and budgeting is driven by and consistent with long-term strategic goals. The Department's annual performance plan issued each year with the President's Budget, and the performance information included in the MD&A are organized according to the five strategic goals identified in the Department's Strategic Plan for Fiscal Years 2022 – 2026.

The Department's Plan includes 66 key performance measures, which are summarized in this document. The Department's full performance for these measures will be discussed in the Department's FY 2022 Annual Performance Report/FY 2022 Annual Performance Plan and submitted with the President's Budget in February 2023.

The Department reports in the Statement of Net Cost earned revenue and cost by five major programs listed and defined below.

- Program 1 - Law Enforcement
  - Protects and defends the United States against foreign and domestic threats by investigating, enforcing, and upholding the laws of the United States (e.g. AFF, ATF, DEA, FBI, OCDEF, and USMS)
- Program 2 - Litigation and Compensation
  - The litigating function defends or asserts the laws, programs, and policies of the United States and ensures greater coordination and unity of purpose between prosecutors and law enforcement agencies; the compensation function ensure that proceeds, monetary penalties, and fines are deposited into compensation funds that are distributed to victims (e.g. ATR, CIV, CRT, CRM, ENRD, EOUSA, INTERPOL, NSD, OLC, OPA, OSG, PRAO, TAX, USVSSTF, USAO, VCF, and RECA).
- Program 3 - Prisons and Detention
  - Provides for the safe, secure, and humane confinement of detained persons in prisons, detention centers, and community-based facilities, and provides services and programs to facilitate successful reentry (e.g. BOP, FPI, USPC, and USMS Detention).
- Program 4 - Grants
  - Reduces crime and improves the function of the criminal justice system by increasing public safety and improving fair administration of justice across America through innovative leadership and programs (e.g. COPS, OJP, and OVW).
- Program 5 - Executive Oversight and Enterprise Technology
  - Executive Oversight: Provides advice to senior management officials on matters including, but not limited to policy for budget and financial management, personnel management and training, procurement, equal employment opportunity, information processing, telecommunications, security, and all matters pertaining to organization authorities; also includes vital functions such as adjudicating immigration cases, preserving the bankruptcy system, managing multi-agency task forces, and national criminal justice programs (e.g. AG, DAG, ASG, other SMOs, CRS, EOIR, UST, OTJ, JMD, and OIG).
  - Enterprise Technology: Protects critical mission assets by strengthening security in particular areas including access management and incident response and recovery (e.g. Justice Information Sharing Technology (JIST) and Working Capital Fund (WCF)).

To accomplish the objectives of the Department’s five strategic goals, collaboration and joint effort are needed among the components, offices, boards, and divisions within DOJ. As a result, more than one major program may be tied to a single strategic goal to accomplish the goal’s objectives. The table below lists strategic goals by the applicable DOJ component, office, board, or division, and links the strategic goal to the major program reported on the statement of net cost.

Strategic Goal	DOJ Component	Major Program
Goal 1	All components	All Major Programs
Goal 2	ATF, BOP, CIV, COPS, CRM, CRS, CRT, FBI, DEA, INTERPOL, JMD, NSD, OCDETF, OJP, OLP, OTJ, OVW, USMS, USAO, & USPC	All Major Programs
Goal 3	ATF, ATJ, BOP, COPS, CRM, CRS, CRT, OLP, OPA, OTJ, OVW, DEA, ENRD, EOIR, FBI, JMD, OJP, USAO, USMS, & UST	All Major Programs
Goal 4	ATR, CIV, CRM, FBI, TAX, USAO, & UST	Major Programs 1 & 2
Goal 5	ATJ, CIV, BOP, EOIR, OJP, USAO, USMS, & USPC	Major Programs 2, 3, 4, & 5

Additionally, the Department’s performance for each strategic goal is measured by the goal’s strategic objectives and associated key performance indicators (KPI) as described in the following table. KPIs further define the role each component, office, board, or division has in accomplishing the broad purpose of each strategic goal. Also, KPIs are assigned to a component, office, board, or division providing additional insight to the elements contained in the statement of net cost by major program.

Strategic Objective	Key Performance Indicator	FY 2022 Target	FY 2022 Actual	Target Achieved/ Not Achieved
<b>Strategic Goal 1: Uphold the Rule of Law</b>				
1.1	Percent of OPR inquiries resolved within one year [OPR]	75%	92%	Target Achieved
1.1	Number of criminal government program fraud cases where the proactive use of data led to the opening of an investigation by the Criminal Division. [CRM]	N/A*	50	
1.1	Number of U.S. Attorney’s Offices that received proactive data leads in criminal government fraud cases from the Criminal Division. [CRM]	N/A	45	
1.1	Percent of cases concerning COVID-19 related fraud in which the Department seeks restitution [USAO]	90%	99%	Target Achieved
1.1	Percent of COVID-19 related fraud cases favorably resolved [USAO]	90%	98%	Target Achieved
1.1	Ratio of backlogged to incoming FOIA requests [OIP]	50%	68%	Not Achieved
1.2	Percent increase in the Department’s average score on selected FEVS questions related to how well managers cultivate innovation, creativity, and collaboration [JMD]	60%	54%	Not Achieved
1.2	Percent of people involved in hiring who have completed implicit bias and interview skills training within the last three years [JMD]	N/A	0	
1.2	Disparities in employee attrition rates [JMD]	N/A	1.36	
1.2	Percent of Department websites reflecting U.S. Web Design System requirements and meeting best practices for plain language and user centered design [JMD]	N/A	38%	
1.2	Percent of common data sets accessible amongst DOJ components [JMD]	N/A	47%	

Strategic Objective	Key Performance Indicator	FY 2022 Target	FY 2022 Actual	Target Achieved/ Not Achieved
<b>Strategic Goal 2: Keep Our Country Safe</b>				
2.1	Number of counterintelligence program disruptions or dismantlements [FBI]	400	365	Not Achieved
2.1	Percent of prosecutions brought against defendants engaged in a) hostile activities against national assets, b) intelligence gathering, or c) export violations that are favorably resolved [NSD]	90%	98%	Target Achieved
2.1	Percent of Department-led foreign investment cases that were adjudicated favorably [NSD]	97%	100%	Target Achieved
2.2	Number of terrorism disruptions effected through investigations [FBI]	600	397	Not Achieved
2.2	Percent of counterterrorism defendants whose cases were favorably resolved [NSD]	90%	99%	Target Achieved
2.2	Number of individuals in the Department trained to prosecute domestic terrorism and domestic violent extremism [NSD]	1,000	1,073	Target Achieved
2.2	Percent of Department-issued Intelligence Information Reports used in the development of United States Intelligence Community Intelligence Products [FBI]	15%	20%	Target Achieved
2.3	Percent of federal violent crime defendants' cases favorably resolved [CRM, USAO, CRT]	90%	97%	Target Achieved
2.3	Volume of U.S. Attorney office records uploaded to the National Instant Criminal Background Check System [USAO]	5% [increase]	4%	Not Achieved
2.3	Percent of grantees that conduct community engagement activities as part of the program planning for their crime reduction initiative [OJP]	58%	TBD	
2.4	Percent increase in disruptions of malicious cyber actors' use of online infrastructure through proactive operations and judicial means [FBI]	5%	25.70%	Target Achieved
2.4	Percent of reported ransomware incidents from which cases are opened, added to existing cases, or resolved within 72 hours [FBI]	65%	39.35%	Not achieved
2.4	Percent increase in operations conducted jointly with strategic partners [FBI]	3%	15.98%	Target Achieved
2.4	Percent of confirmed cyber incidents to Department systems [JMD]	0.001%	TBD	
2.4	Percent increase of threat advisories disseminated to the private sector (changed from Number of) [FBI]	5%	4.17%	Not Achieved
2.5	Percent of disruptions or dismantlements of drug-trafficking organizations focused on the highest priority targets [OCDETF]	31%	26%	Not Achieved
2.5	Amount of diversion, nationally, of opioids and stimulants [DEA]	366,908g	308,376g	Not Achieved
2.5	Percent of relevant-funded grantee programs that provide Medication Assisted Treatment, which includes medication plus counseling, as part of their substance use disorder services [OJP]	N/A	TBD	

Strategic Objective	Key Performance Indicator	FY 2022 Target	FY 2022 Actual	Target Achieved/ Not Achieved
<b>Strategic Goal 2: Keep Our Country Safe</b>				
2.6	Percent increase in services to traditionally underserved victim populations through VOCA-funded organizations and anti-human trafficking programs [OJP]	N/A	TBD	
2.6	Percent of USAOs conducting training on trauma-informed and culturally sensitive approaches for attorneys, victim witness specialists, and support staff [USAO]	65%	46%	Not Achieved
2.6	Percent of victims reporting that they entered and maintained permanent housing upon exit from an OVW-funded transitional housing program 6 months after program completion (Transitional Housing Program only) [OVW]	80%	80%	Target Achieved
2.6	Percent of crimes-against-children FBI cases which address abductions, hands-on offenders, sextortion, or enticement [FBI]	44%	54%	Target Achieved
2.6	Number of formal relationships established with state, county, and local law enforcement, either directly or through state Police Officer Standards and Training councils or commissions, to communicate elder justice best practices [CIV]	0	0	Target Achieved
2.6	Percent of Indian Country homicide cases and sexual abuse cases favorably resolved [USAO]	90%	97%	Target Achieved
<b>Strategic Goal 3: Protect Civil Rights</b>				
3.1	Number of new Voting Rights Act matters initiated [CRT]	4	2	Not Achieved
3.1	Percent of cases prosecuting threats of violence and intimidation against election officials that are favorably resolved [CRM]	N/A	100%	
3.1	Percent of BOP facilities providing structured curriculum on voting rights to releasing individuals [BOP]	49%	47%	Not Achieved
3.2	Number of Title VII and USERRA investigations [CRT]	20	22	Target Achieved
3.2	Number of Limited English Proficiency (LEP) individuals who access department-funded materials in their native language to understand federal hate crimes and anti-discrimination laws [CRT]	30,000	35,403	Target Achieved
3.2	Percent of United States Attorney's Offices leading hate crime alliances with community representatives and local civil rights leaders [USAO]	65%	81%	Target Achieved
3.2	Percent of criminal cases addressing civil rights violations, including hate crimes, favorably resolved [CRT]	80%	96%	Target Achieved
3.3	Percent of federal law enforcement officers who receive Use of Force Sustained Training within a 3-year period [ATF, BOP, DEA, FBI, USMS]	85%	92%	Target Achieved
3.3	Percent of participants in CRS facilitated police-community relations programs who perceive stronger community capacity to address alleged inequities [CRS]	80%	75%	Not Achieved
3.3	Percent of federal law enforcement officers equipped with body-worn cameras and associated training [ATF, DEA, FBI, USMS]	20%	6%	Not Achieved
3.3	Percent of Justice Assistance Grant Program law enforcement grantees using innovative and evidence-based practices [OJP]	11%	TBD	



Strategic Objective	Key Performance Indicator	FY 2022 Target	FY 2022 Actual	Target Achieved/ Not Achieved
<b>Strategic Goal 3: Protect Civil Rights</b>				
3.4	Percent of eligible individuals represented by consistent defense counsel throughout that individual's justice system involvement [OJP]	N/A	TBD	
3.4	Number of Justice Department strategic partnerships established by the Office for Access to Justice to improve equal access to justice [ATJ]	6	10	Target Achieved
3.5	Number of Environmental Justice Coordinators designated [USAO]	93	93	Target Achieved
3.5	Percent of participants in CRS facilitated environmental justice programs who perceive stronger community capacity to address alleged inequities [CRS]	TBD	TBD	
3.5	Number of matters that address adverse environmental and public health effects brought under civil rights statutes [CRT]	16	29	Target Achieved
3.5	Percent of environmental enforcement cases in or substantially affecting overburdened and underserved communities that are favorably resolved [ENRD]	N/A	TBD	
3.5	Percent reduction in energy intensity used by the Department [JMD]	2%	TBD	
<b>Strategic Goal 4: Ensure Economic Opportunity and Fairness for All</b>				
4.1	Number of active civil non-merger investigations [ATR]	50	51	Target Achieved
4.1	Percentage of consumer protection branch cases favorably resolved [CIV]	85%	92%	Target Achieved
4.2	Percent of corporate criminal cases in which individual responsibility was evaluated [CRM, USAO]	95%	100%	Target Achieved
4.2	Percent of corporate criminal resolutions containing compliance reporting obligations that are evaluated by DOJ at least annually [CRM, USAO]	95%	96%	Target Achieved
4.2	Number of criminal disruptions or dismantlements in public corruption and fraud against the government [FBI]	468	407	Not Achieved
4.2	Percent of new contacts by the FBI with foreign anti-corruption agencies that progress to mutual sharing of information or assistance or result in a new international corruption case [FBI]	60%	61.73%	Target Achieved
<b>Strategic Goal 5: Administer Just Court and Correctional Systems</b>				
5.1	Median case completion time [EOIR]	853	1085	Not Achieved
5.1	Average number of vacancy-days for immigration adjudicator positions [EOIR]	403	655	Not Achieved
5.1	Percent of immigration judges who have received all relevant continuing legal education annually [EOIR]	90%	100%	Target Achieved
5.1	Visits to the Immigration Court Online Resource (ICOR) [EOIR]	12,000	276,913	Target Achieved
5.2	Percent of funded corrections officer positions filled at the end of each fiscal year [BOP]	100%	88%	Not Achieved
5.2	Percent of inmates in federal custody who have successfully completed or are enrolled in an FSA program or activity [BOP]	50%	61%	Target Achieved
5.2	Percent of inquiries from external stakeholders that BOP responds to within the target response time [BOP]	80%	100%	Target Achieved

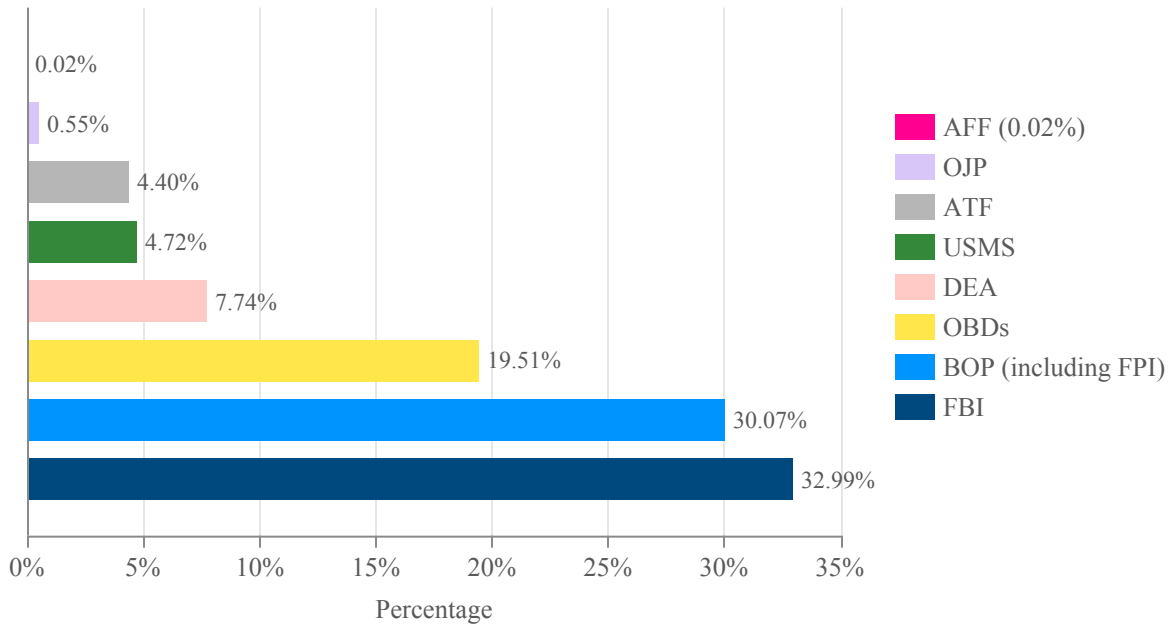
\*N/A: Indicates the component is currently establishing a baseline for the measure. The FY 2022 baseline will be used to set future targets.

\*TBD: The FY 2022 Actuals will be reported in the Annual Performance Report at a later date.

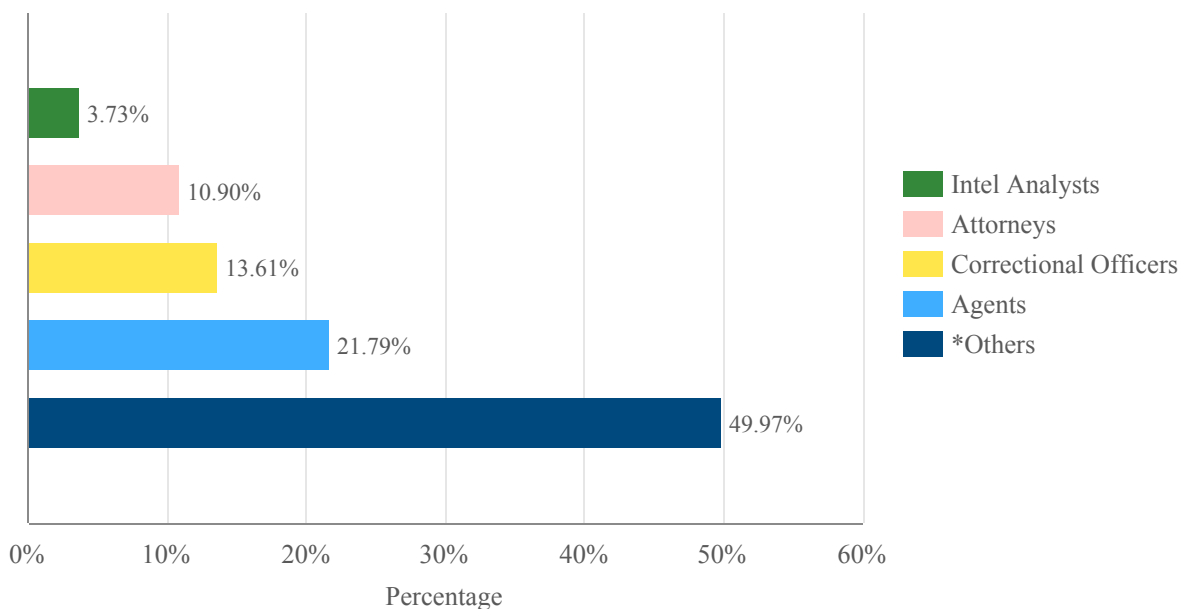
## FY 2022 Resource Information

The following pages provide summary-level resource information regarding the Department's operations for FY 2022. The charts on this page reflect employees on board as of September 30, 2022.

FY 2022 DOJ Employees On Board by Component  
approximately 115,600 Employees



FY 2022 DOJ Employees On Board by Category  
Attorneys, Correctional Officers, Agents, and Others\*



\*Others include pay class categories such as paralegals, financial managers, procurement officers, evidence technicians, and security specialists.



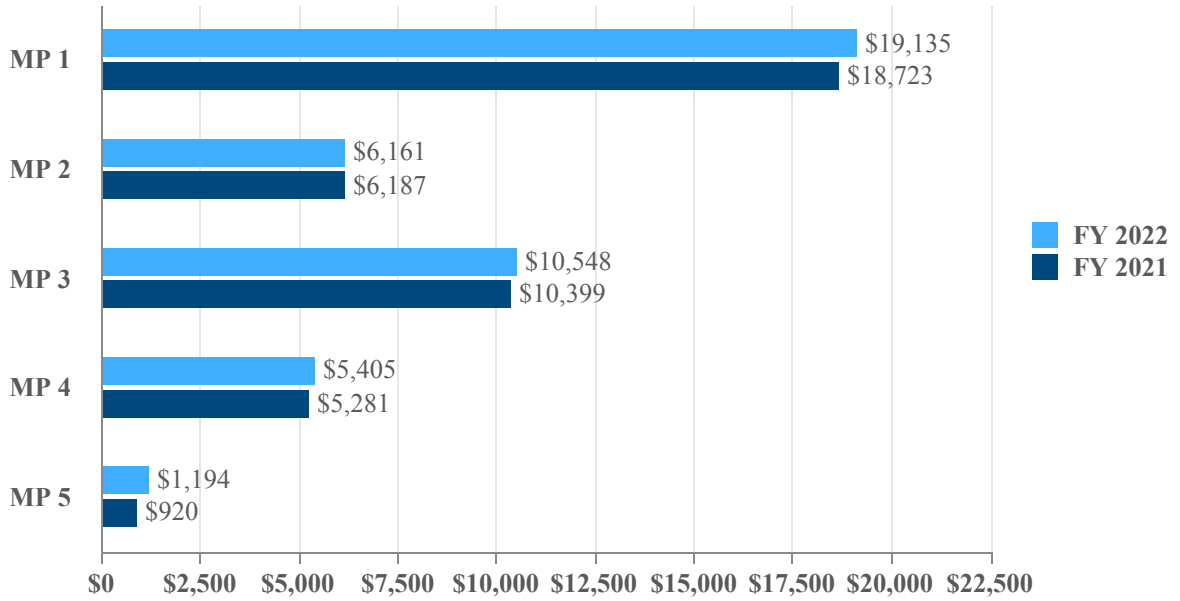
**Table 1. Sources of DOJ Resources**  
(Dollars in Thousands)

Source	FY 2022	FY 2021	% Change
<b>Earned Revenue:</b>	<b>\$ 2,937,116</b>	<b>\$ 2,954,110</b>	<b>(0.58)%</b>
<b>Financing Sources:</b>			
Appropriations Received	38,072,879	36,047,475	5.62 %
Appropriations Transferred-In/Out	1,092,113	966,479	13.00 %
Nonexchange Revenues	867,039	782,022	10.87 %
Donations and Forfeitures of Cash and Cash Equivalents	1,365,174	1,070,709	27.50 %
Other Adjustments	(1,133,364)	(248,221)	356.59 %
Donations and Forfeitures of Property	420,818	393,144	7.04 %
Transfers-In/Out Without Reimbursement	(78,240)	(257,965)	(69.67)%
Imputed Financing	1,274,244	980,785	29.92 %
Other Financing Sources	(12,044)	(11,467)	5.03 %
<b>Total DOJ Resources</b>	<b><u>\$ 44,805,735</u></b>	<b><u>\$ 42,677,071</u></b>	<b>4.99 %</b>

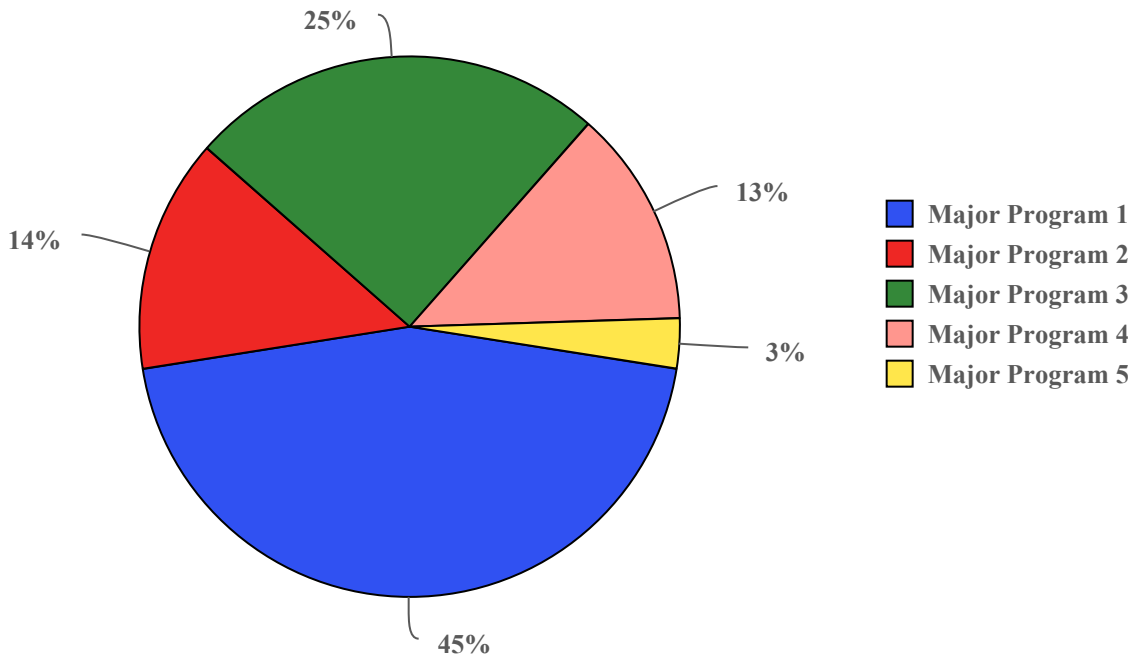
**Table 2. How DOJ Resources Are Spent**  
(Dollars in Thousands)

Major Program	FY 2022	FY 2021	% Change
1 Law Enforcement			
	Gross Cost \$ 20,037,741	\$ 19,445,202	
	Less: Earned Revenue 902,669	722,383	
	<i>Net Cost</i> <u>19,135,072</u>	<u>18,722,819</u>	2.20 %
2 Litigation and Compensation			
	Gross Cost 6,533,249	6,586,885	
	Less: Earned Revenue 372,562	399,460	
	<i>Net Cost</i> <u>6,160,687</u>	<u>6,187,425</u>	(0.43)%
3 Prisons and Detention			
	Gross Cost 11,221,607	11,047,772	
	Less: Earned Revenue 673,486	648,489	
	<i>Net Cost</i> <u>10,548,121</u>	<u>10,399,283</u>	1.43 %
4 Grants			
	Gross Cost 5,418,830	5,300,885	
	Less: Earned Revenue 14,098	20,279	
	<i>Net Cost</i> <u>5,404,732</u>	<u>5,280,606</u>	2.35 %
5 Executive Oversight and Enterprise Technology			
	Gross Cost 2,168,339	2,083,453	
	Less: Earned Revenue 974,301	1,163,499	
	<i>Net Cost</i> <u>1,194,038</u>	<u>919,954</u>	29.79 %
	<b>Total Gross Cost</b> <b>45,379,766</b>	<b>44,464,197</b>	
	<b>Less: Total Earned Revenue</b> <b>2,937,116</b>	<b>2,954,110</b>	
	<b><i>Total Net Cost of Operations</i></b> <b><u>\$ 42,442,650</u></b>	<b><u>\$ 41,510,087</u></b>	<b>2.25 %</b>

**Comparison of Net Costs by Major Program (MP) - FY 2022 and 2021  
(Dollars in Millions)**



**FY 2022 Percentages of Net Costs by Major Program**



Major Program (MP) 1: Law Enforcement  
 Major Program (MP) 2: Litigation and Compensation  
 Major Program (MP) 3: Prisons and Detention  
 Major Program (MP) 4: Grants  
 Major Program (MP) 5: Executive Oversight and Enterprise Technology

## Limitations of the Financial Statements

The principal financial statements are prepared to report the financial position, financial condition, and results of operations of the DOJ, pursuant to the requirements of 31 U.S.C. § 3515(b). The statements have been prepared from the books and records of the Department in accordance with United States generally accepted accounting principles (GAAP) and the formats prescribed by the OMB. Reports used to monitor and control budgetary resources are prepared from the same records. Users of the statements are advised that the statements are for a component of the U.S. Government.

## Analysis of Financial Statements

The Department's financial statements, which are provided beginning on page 32 of this document, received an unmodified audit opinion for the fiscal years ended September 30, 2022 and 2021. These statements were prepared from the accounting records of the Department in accordance with the accounting principles generally accepted in the United States and OMB Circular A-136, *Financial Reporting Requirements*. These principles are the standards promulgated by the Federal Accounting Standards Advisory Board (FASAB).

The following information highlights the Department's financial position and results of operations in FY 2022. The complete set of financial statements, related notes, and the opinion of the Department's auditors are provided beginning on page 32 of this document.

**Assets:** The Department's Consolidated Balance Sheet as of September 30, 2022, reflects \$50.9 billion total assets, an increase of \$1.5 billion or 3.0 percent compared to the previous year's total of \$49.4 billion. The primary reason for the increase was due to a 1,604 percent increase to other than intragovernmental accounts receivable of \$2.1 billion relating to an update to policies and procedures in the Office of Debt Collection Management (DCM). In FY 2022, DCM began accruing for claims not yet received on behalf of others as a result of violations of laws and regulations. This was offset by a reduction in general property, plant and equipment of \$0.5 billion. Much of the reduction to general property, plant and equipment can be attributed to revised policy increasing the capitalization thresholds resulting in fewer capitalized acquisitions.

**Liabilities:** Total liabilities were \$19.3 billion as of September 30, 2022, an increase of \$2.4 billion or 14.2 percent compared to the previous year's total of \$16.9 billion. A significant contributing factor to the variance can be attributed to a 208 percent increase or \$1.7 billion to intragovernmental custodial liabilities as a result of DCM's accrual for claims not yet received on behalf of others, primarily federal entities. Also contributing to the variance was a 151 percent increase of \$0.1 billion to Radiation Exposure Compensation Act (RECA) liabilities. This is attributed to the RECA Extension Act of 2022, PL 117-139. The Act extends the RECA Trust Fund and the filing deadline for new claims for two years of the enactment date (June 7, 2022). Lastly, the September 11th Victim Compensation Fund liabilities increased 8.7 percent or \$0.3 billion due to increased claims impacting the projected total claim awards.

**Net Cost of Operations:** The Department presents their Consolidated Statement of Net Cost by major program. The net cost of the Department's operations totaled \$42.4 billion as of September 30, 2022, a \$0.9 billion or 2.2 percent increase from the previous year's total of \$41.5 billion. There was not a single contributing factor for the increase in net cost from FY 2021 to FY 2022. However, among the five major programs FBI and BOP combine for 45 percent of the Department's total net cost and represent \$0.6 billion or 64 percent of the Department's total increase to net cost.

**Total Unexpended Appropriations:** As of September 30, 2022 the Department's Consolidated Statement of Changes in Net Position shows total unexpended appropriations of \$19.9 billion and \$17.9 billion for FY 2022 and 2021, respectively, an increase of \$2.0 billion or 11.2 percent. The net change of \$2.0 billion can be attributed to a \$1.3 billion increase to beginning balance in addition to an increase to appropriations received and appropriations transferred in of \$2.1 billion. This was offset by an increase to appropriations used of \$0.9 billion, in addition to an increase in permanent and temporary rescissions of approximately \$0.6 billion.

**Total Cumulative Results of Operations:** As of September 30, 2022 the Department's Consolidated Statement of Changes in Net Position shows total cumulative results of operations of \$11.6 billion and \$14.6 billion for FY 2022 and 2021 a total decrease of \$3.0 billion or 21 percent. The total decrease can be attributed to a \$3 billion decrease to beginning balance in addition to a \$0.4 billion reduction related to permanent rescissions in Special or Trust Funds. Furthering the reduction of cumulative results of operations was increased net cost of \$0.9 billion. This was offset by increases primarily to appropriations used of \$0.9 billion, donations and forfeitures of \$0.3 billion, a reduction of transfers out of \$0.3 billion, and increases to imputed financing of \$0.3 billion.

**Budgetary Resources:** As presented on the Department's Combined Statement of Budgetary Resources, total budgetary resources were \$59.9 billion as of September 30, 2022 and \$55.3 billion as of September 30, 2021 reflecting a \$4.6 billion or 8.3 percent increase. This can largely be attributed to a \$2.3 billion increase to appropriations and \$2.7 billion increase to unobligated balance from prior year budget authority, offset by \$0.3 billion reduction in spending authority from offsetting collections.

**Net Outlays:** The Department's FY 2022 Combined Statement of Budgetary Resources shows agency outlays, net remained consistent. As of September 30, 2022 and 2021, agency outlays, net were \$40 billion and \$40.1 billion representing a decrease of \$0.1 billion or 0.3 percent.

## Analysis of Systems, Controls, and Legal Compliance

### **Financial Management Systems and the Department's Strategy for Improving those Systems**

The Department's financial management systems strategy for FY 2022 was to complete the implementation of a single, integrated financial management system the Department has been deploying – the Unified Financial Management System (UFMS). UFMS delivers standard, core accounting and acquisition processes, as well as the data needed for effective financial and budget management. In October 2021, the Bureau of Prisons (BOP) migrated to UFMS to complete the implementation. Throughout FY 2022, the Department and BOP continued efforts to identify solutions for unexpected complications. The UFMS implementation goals have leveraged lessons learned from previous migrations and were based on and aligned with operational risks and requirements unique to each component.

The Department's UFMS implementation has enabled components to improve financial and budget management and realize increased efficiencies. For example, UFMS has standardized and integrated financial processes to more effectively support accounting operations, provide accurate and timely financial information throughout the year, facilitate preparation of financial statements, and streamline audit processes.

### **Analysis of Legal Compliance**

Department of Justice management is committed to ensuring compliance with applicable laws and regulations, including data standards and appropriations, acquisitions, and employment laws and regulations. Compliance is addressed through policies and procedures, along with oversight and governance by senior leadership. In FY 2022, DOJ component internal review activities and GAO and OIG reviews and audits identified isolated instances of noncompliance, none of which was significant enough to require reporting as a material weakness in the Department-level FMFIA Assurance Statement except the material weakness described in the FMFIA Assurance Statement on the following page.

## Management Assurances

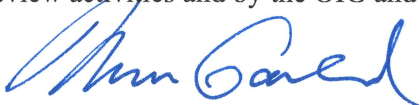
### Federal Managers' Financial Integrity Act of 1982

The Federal Managers' Financial Integrity Act of 1982 (FMFIA or Integrity Act), 31 U.S.C. § 3512, provides the statutory basis for management's responsibility for and assessment of internal control. Such controls include program, operational, and administrative areas, as well as accounting and financial management. The Integrity Act requires federal agencies to establish controls that reasonably ensure obligations and costs are in compliance with applicable laws; funds, property, and other assets are safeguarded against waste, loss, unauthorized use, or misappropriation; and revenues and expenditures are properly recorded and accounted for to maintain accountability over assets. The Integrity Act also requires agencies to annually assess and report on the internal control that protects the integrity of federal programs (FMFIA § 2) and whether financial management systems comply with government-wide requirements (FMFIA § 4).

### FMFIA Assurance Statement

Department of Justice management is responsible for managing risks and maintaining effective internal control to meet the objectives of FMFIA § 2 and § 4. In accordance with OMB Circular A-123, the Justice Department conducted its assessment of risk and internal control. Based upon the results of the assessment and Assurance Statements provided by DOJ components, the Department can provide reasonable assurance that internal control over operations, reporting, and compliance was operating effectively as of September 30, 2022, except for the material weakness identified at the consolidated level due to improvements needed at the Bureau of Prisons related to risk assessment, financial management, and reporting controls, and at the Department related to its risk assessment process. Details of the material weakness and the Department's corrective action plan are provided in Section III of this report.

The Justice Department is committed to sound financial management principles as we pursue our priorities, including upholding the rule of law, keeping our country safe, and protecting civil rights. As we continue the important work of the Department, we are dedicated to using our funds responsibly and transparently. We will continue to work in FY 2023 to strengthen our controls in areas identified through the Department's internal review activities and by the OIG and GAO.



Merrick B. Garland  
Attorney General  
January 26, 2023

## **Federal Financial Management Improvement Act of 1996**

The Federal Financial Management Improvement Act of 1996 (FFMIA) was designed to advance federal financial management by ensuring that federal financial management systems provide accurate, reliable, and timely financial management information to the government's managers. Compliance with the FFMIA provides the basis for the continuing use of reliable financial management information by program managers, as well as by the President, Congress, and public. The FFMIA requires agencies to have financial management systems that substantially comply with federal financial management system requirements, applicable federal accounting standards, and the application of the U.S. Government Standard General Ledger (USSGL) at the transaction level. Furthermore, the Act requires independent auditors to report on agency compliance with the three requirements in the financial statement audit report. Guidance for implementing the FFMIA is provided through OMB Circular A-123, Appendix D, Compliance with the Federal Financial Management Improvement Act of 1996.

### **FFMIA Compliance Determination**

During FY 2022, the Department assessed its financial management systems for compliance with the FFMIA and determined that, when taken as a whole, they substantially comply with the FFMIA. This determination is based on the results of reviews conducted pursuant to the Federal Information Security Management Act and testing performed for OMB Circular A-123, Appendix A. Consideration was also given to issues identified during the Department's financial statement audit. A summary of the Department's compliance with the specific requirements of the FFMIA is provided in Section III of the Agency Financial Report.

## **Forward-Looking Information**

During the past year, the Department of Justice (DOJ) developed its new FYs 2022-2026 Strategic Plan. Through this process the Department revisited its goals and objectives. The new plan lays out five Strategic Goals: Uphold the Rule of Law; Keep Our Country Safe; Protect Civil Rights; Ensure Economic Opportunity and Fairness for All; and Administer Just Adjudicatory and Correctional Systems. To address the array of challenges and risks that stem from the wide-ranging objectives and strategies, the Department identified risk themes to highlight both the opportunities and the threats/dangers the agency faces to meet its diverse mission.

Below are the risk themes the Department identified in the new Strategic Plan:

### **Building Trust**

- Protect Our Democratic Institutions: Our nation depends on the stability of its democratic institutions. We will continue our work to ensure that the public views the Department as objective, impartial, and insulated from political influence.
- Promote Trust Between Communities and Law Enforcement: Community trust in law enforcement is essential to making policing more effective and less dangerous for officers on the street. The Department will strengthen relationships between law enforcement officers and communities through continuous review and revisions of operating procedures.
- Ensure Economic Opportunity and Fairness For All: In its pursuit of fair markets, the Department will help ensure that all companies compete by the same rules; that tax dollars flow to their intended recipients; and that corporate crime is deterred, detected, and prosecuted.



### **Coordination Challenges**

- Strengthen Federal, State, Local, Tribal, and International Counterterrorism Partnerships: The Justice Department will protect national security by maintaining strong partnerships with law enforcement and intelligence community partners.
- Enhance Cyber Resilience Within and Outside the Department: The Department will work with the private sector and other government agencies to share vital information they can use to strengthen their cyber defenses and resilience. The Department will help the private sector identify and address their vulnerabilities through threat intelligence sharing and targeted outreach.
- Combat Hate Crimes and Other Bias-Related Incidents: The Department will continue to combat and deter unlawful acts of hate, including by improving incident reporting, increasing law enforcement training and coordination at all levels of government, prioritizing community outreach, and making better use of civil enforcement mechanisms.

### **Data Collection and Analysis Limitations**

- Deter Violent Crime: Through innovation and partnerships, the Department will lead the law enforcement community to embody a culture that uses data-driven and risk-informed decision-making.
- Advance Equal Access to Justice: The Department will use innovative and community-centered approaches to improved research and data collection to better understand access-to-justice gaps and better gauge whether programs are effective, equitable, and accessible.
- Implement a Comprehensive Strategy to Advance Environmental Justice: The Department will prioritize the development of effective short- and long-term strategies for reducing environmental and public health burdens in overburdened and underserved low-income communities, communities of color, and Tribal and indigenous communities. The Department will improve data collection from federal grant recipients to support our enforcement activities.

### **Fragmentation and Globalization of Threats**

- Counter Foreign and Domestic Threats: The Department will support law enforcement at all levels as we work to protect our country from foreign and domestic terrorism, while also zealously guarding civil liberties and ensuring our own accountability to the American people.

### **Impact of Technology**

- Improve Cybersecurity to Combat Cybercrime: The Department will bolster its interagency and international collaborations to aid attribution, defend networks, sanction bad behavior, and otherwise deter or disrupt cyber adversaries in the United States and overseas.
- Disrupt the Emergence of New Security Vulnerabilities: Ransomware attacks cause financial losses and other harms to targeted governments, critical infrastructure, and industries. The Department will enhance its efforts to combat ransomware attacks by increasing the number of ransomware seizures or forfeitures.

### **Workforce**

- Foster a High-Performing Workforce that Represents the Public We Serve: The Department will take a strategic and innovative approach to updating its management structure, training, and collaboration; to modernizing its technology; and to promoting diversity and ensuring equal employment opportunity.
- Address Post Pandemic-Related Challenges: The Department's leadership will focus its efforts to manage challenges and risks that affect programs and operations during this period of uncertainty.



## **Climate-Related Risks**

DOJ is committed to contributing to the Federal government's leadership role in combating the climate crisis by integrating the most current climate science and assessment of climate-related risks into the management of its procurement, real property, and financial programs. In response to Executive Order 14008, DOJ prepared a Climate Action Plan that commits the Department to continue pursuing activities to bolster DOJ's adaptive capacity, enhance climate literacy, and ensure climate-ready facilities and a climate-ready supply of products and services. When assessing climate-related risks, DOJ considers the following risks of primary concern. Links to the most recent Climate Action Plan and Sustainability Report can be found on page 113 of this document, *Climate-Related Financial Risks*.

### **Assessing and Mitigating Climate-Related Risks to Physical Assets**

In 2022, DOJ developed and deployed the Facility Climate Hazard Assessment Tool (F-CHAT) to component-level staff to facilitate a standardized approach for evaluating the potential exposure of DOJ real property assets to a range of current and future climate hazards, including coastal and riverine flooding, extreme heat, drought, and hurricanes. F-CHAT systematically guides users through the use of numerous publicly-available climate hazard projection mapping tools and provides a framework that applies standardized criteria to characterize the likelihood of exposure to individual hazards as low, medium, or high. To accompany F-CHAT, DOJ developed and distributed to bureaus a compilation of strategies to enhance facility resilience against a range of climate hazards. DOJ also initiated the development of an internal geographic information system tool that will enable Department staff to dynamically assess the potential climate hazard exposure for their real property assets by incorporating publicly available geospatial climate hazard data sets.

### **Assessing Climate-Related Risks to DOJ's Supply Chain**

In early FY 2022, DOJ performed a quantitative assessment of the Department's total FY 2021 spending to identify the most often procured categories of goods and services by component. Subsequently, DOJ convened one-on-one meetings with bureau stakeholders to collect additional information about supply chain vulnerability concerns and best practices and lessons learned related to supply chain management in preparation for and in response to climate hazards and acute severe weather events for future compilation into an internal DOJ summary document. DOJ also participated in a meeting with the General Services Administration (GSA) to discuss GSA's Supply Chain Risk Management Framework to better understand GSA's plans for the tool and the suitability for its use to help DOJ assess the risks that climate change poses to its acquisition of goods and services.

# U.S. DEPARTMENT OF JUSTICE

## INDEPENDENT AUDITORS' REPORT





KPMG LLP  
Suite 12000  
1801 K Street, NW  
Washington, DC 20006

## Independent Auditors' Report

Inspector General  
U.S. Department of Justice

United States Attorney General  
U.S. Department of Justice

### Report on the Audit of the Consolidated Financial Statements

#### *Opinion*

We have audited the consolidated financial statements of the U.S. Department of Justice (Department), which comprise the consolidated balance sheets as of September 30, 2022 and 2021, and the related consolidated statements of net cost, changes in net position, and combined statements of budgetary resources, and custodial activity for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the U.S. Department of Justice as of September 30, 2022 and 2021, 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.

#### *Basis for Opinion*

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS), 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. 22-01, *Audit Requirements for Federal Financial Statements*. Our responsibilities under those standards and OMB Bulletin No. 22-01 are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Department and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### *Other Matter - Interactive Data*

Management has elected to reference information on websites or other forms of interactive data outside the Annual Financial Statements to provide additional information for the users of its consolidated financial statements. Such information is not a required part of the consolidated financial statements or supplementary information required by the Federal Accounting Standards Advisory Board. The information on these websites or the other interactive data has not been subjected to any of our auditing procedures, and accordingly we do not express an opinion or provide any assurance on it.

#### *Responsibilities of Management for the Consolidated Financial Statements*

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



### *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements*

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and OMB Bulletin No. 22-01 will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and OMB Bulletin No. 22-01, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit 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 U.S. Department of Justice's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

### *Required Supplementary Information*

U.S. generally accepted accounting principles require that the information in the Management's Discussion and Analysis and Required Supplementary Information sections be presented to supplement the basic consolidated financial statements. Such information is the responsibility of management and, although not a part of the basic 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 basic consolidated financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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 basic consolidated financial statements, and other knowledge we obtained during our audits of the basic consolidated financial statements. We 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*

Management is responsible for the other information included in the Annual Financial Statements. The other information comprises the Other Information section and Appendix, but does not include the consolidated financial statements and our auditors' report thereon. Our opinion on the consolidated financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.



In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the consolidated financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### **Report on 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, 2022, we considered the Department's internal control over financial reporting (internal control) as a basis for designing 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*.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in Exhibit I, we identified certain deficiencies in internal control that we consider to be a material weakness.

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. We consider the deficiencies described in the accompanying Exhibit I to be a material weakness.

Exhibit II presents the status of the prior year's finding and recommendation.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Department's consolidated financial statements as of and for the year ended September 30, 2022 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 consolidated financial statements. 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 disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or OMB Bulletin No. 22-01.

We also performed tests of the Department's 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 disclosed no instances in which the Department's financial management systems did not substantially comply with the (1) Federal financial management systems requirements, (2) applicable Federal accounting standards, and (3) the United States Government Standard General Ledger at the transaction level.

### **Department's Response to Finding**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Department's response to the finding identified in our audit and described in Exhibit I. The Department's response was not subjected to the other auditing procedures applied in the audit of the consolidated financial statements and, accordingly, we express no opinion on the response.



**Purpose of the Reporting Required by *Government Auditing Standards***

The purpose of the communication described in the Report on Internal Control Over Financial Reporting and the Report on Compliance and Other Matters sections is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Department's internal control or compliance. Accordingly, this communication is not suitable for any other purpose.

KPMG LLP

Washington, D.C.  
January 26, 2023

## Material Weakness

This section contains our discussion of the material weakness that we identified in internal control over financial reporting.

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### Improvements are Needed in Financial Management and Reporting Controls, and Risk Assessment Process

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During fiscal year (FY) 2022, the U.S. Department of Justice (Department) completed its multi-year financial management strategy to consolidate multiple financial management systems into one system. Specifically, management migrated the legacy core accounting system for the Federal Bureau of Prisons (BOP), a financially significant Department reporting component, into the Department's centralized accounting system, the Unified Financial Management System (UFMS). Additionally, the BOP continued to experience resource constraints throughout the organization. Due to the ongoing challenges with workforce attrition, employees with financial management responsibility were required to perform additional correctional officer duties on-top of existing key financial responsibilities. Finally, the Department partially implemented an accounting policy change related to the capitalization thresholds for general property, plant, and equipment that was effective for FY 2022.

During our FY 2022 audit, we noted the following deficiencies:

- I. The Departmental component, BOP, did not maintain effective internal controls over financial management and reporting.
  - Certain internal controls over financial reporting were not executed by employees with sufficient training to ensure transactions were recorded in accordance with generally accepted accounting standards and financial management policy. As a result, certain fixed asset accounts, accounts payable accruals, and non-personnel expenses and related budgetary accounts were not recorded timely and accurately at the BOP. Approximately \$260 million in converted payroll were not properly reversed causing current budgetary resources to be misstated. Additionally, numerous contracts valued at approximately \$113 million were not deobligated timely causing the status of budgetary resources to be overstated at year end. A sufficient risk assessment was not performed to identify and respond to changes and related risks resulting from the continued resource challenges.
  - System-generated reports lacked quality information to permit management's timely and reliable execution of internal controls over financial reporting. There was an insufficient understanding of the data both available and unavailable in standard UFMS reports and of the unique needs of the BOP. A sufficient risk assessment was not performed to identify and respond to changes and related risks resulting from the BOP's UFMS conversion to maintain effective internal controls over financial reporting.
  - Accounting ledgers required a significant number of accounting adjustments to correct material errors that were the result of deficient internal controls over financial reporting. The BOP had to perform multiple revisions to each of its populations' data sets based on errors identified by the audit. This resulted in significant delays in the production of auditable financial data and the completion of the financial statements audit.

- II. Although management took certain steps to implement corrective actions related to its risk assessment process as identified in the prior year and noted above, deficiencies continued.
- Management did not perform a robust risk assessment to appropriately identify and quantify the impact of changes to its accounting policies prior to full adoption. In FY 2022, the Department did not prioritize the measurement and assessment needed for the impact of having inconsistent capitalization thresholds for a component that holds over 55 percent of the Department's capitalized property. Without first performing an adequate measurement and assessment for changes in accounting policies, the Department increases the risk that material inconsistencies exist that affect the comparability of the financial statements.

As a result of the above deficiencies, there is a reasonable possibility that a material misstatement in the Department's financial statements would not be prevented or detected and corrected on a timely basis.

**Criteria:**

The U.S. Government Accountability Office's Standards for Internal Control in the Federal Government:

Principle 4 – Demonstrate Commitment to Competence:

“4.05 Management recruits, develops, and retains competent personnel to achieve the entity's objectives...”

Principle 9 - Identify, Analyze, and Respond to Change:

“9.03 Conditions affecting the entity and its environment continually change. Management can anticipate and plan for significant changes by using a forward-looking process for identifying change. Management identifies, on a timely basis, significant changes to internal and external conditions that have already occurred or are expected to occur. Changes in internal conditions include changes to the entity's programs or activities, oversight structure, organizational structure, personnel, and technology. Changes in external conditions include changes in the governmental, economic, technological, legal, regulatory, and physical environments. Identified significant changes are communicated across the entity through established reporting lines to appropriate personnel.

...9.04 As part of risk assessment or a similar process, management analyzes and responds to identified changes and related risks in order to maintain an effective internal control system. Changes in conditions affecting the entity and its environment often require changes to the entity's internal control system, as existing controls may not be effective for meeting objectives or addressing risks under changed conditions. Management analyzes the effect of identified changes on the internal control system and responds by revising the internal control system on a timely basis, when necessary, to maintain its effectiveness.”

Principle 12 – Implement Control Activities:

“12.05 Management periodically reviews policies, procedures, and related control activities for continued relevance and effectiveness in achieving the entity's objectives or addressing related risks. If there is significant change in an entity's process, management reviews this process in a timely manner after the change to determine that the control activities are designed and implemented appropriately. Changes may occur in personnel, operational processes, or information technology.”



Statement of Federal Financial Accounting Standards 6: *Accounting for Property, Plant, and Equipment*:

“Para. 13 Because Federal entities are diverse in size and in uses of PP&E, entities must consider their own financial and operational conditions in establishing an appropriate capitalization threshold or thresholds. Once established, this threshold(s) should be consistently followed and disclosed in the financial reports.”

**Recommendations:**

We recommend that the:

1. Department and BOP continue to recruit individuals with relevant financial management and/or accounting skills, and train existing resources on financial management standards, concepts, policies, and procedures. *(New)*

**Management Response:**

Management concurs with the recommendation. The Department has initiated actions based on implementation of the DOJ Strategic Plan Strategic Goal 1: Uphold the Rule of Law Objective 1.2: Promote Good Government by updating internal guidance, best practices, and policies related to outreach, recruitment, and hiring. The Department and BOP will continue recruitment of individuals with accounting and financial management skills. The BOP will enhance the training of those individuals in the areas of internal control, transaction processing and financial statement preparation and review.

2. BOP perform a robust analysis of changes to internal control conditions including an analysis of business and accounting operations; and prepare a sufficient response to those changes through revisions to the internal control system. *(New)*

**Management Response:**

Management concurs with the recommendation. The BOP will continue to review the internal control environments to support design and implementation of an improved internal control system.

3. BOP finalize information needed to perform processes and controls and create system-generated reports with necessary information to execute controls, including processing data into quality information to support the internal controls system and communicate quality information within the organization to enable authorized personnel to perform key roles, address risks, and support the internal control system. *(New)*

**Management Response:**

Management concurs with the recommendation. The BOP will continue to develop, enhance, and document our processes and procedures necessary to execute effective internal controls. The BOP will assess critical reports necessary to support validation of effective financial controls and ensure key personnel are properly trained to perform key roles, address risk and support the internal control system.

4. Department design and implement a control for the Department and the components to monitor and evaluate significant changes to operations or financial reporting processes that will identify and respond to financial reporting risks, such as the adoption of new accounting policies and procedures, and implementations and conversions of financially relevant systems. *(Updated)*

**Management Response:**

Management concurs with the recommendation. The Department and BOP will assess and implement controls to address reporting risks associated with changes to accounting standards and implementation of new systems.

EXHIBIT II

As required by *Government Auditing Standards* issued by the Comptroller General of the United States, we have evaluated whether the U.S. Department of Justice has taken the appropriate corrective action to address the finding and recommendations from the prior year’s financial statements audit that could have a material effect on the financial statements or other financial data significant to the audit objectives. The following table provides the Office of the Inspector General report number where the deficiency was reported, our recommendations for improvement, and the status of the previously identified material weakness and recommendations as of the end of FY 2022.

Report	Material Weakness	Recommendations	Status
Audit of the U.S. Department of Justice Annual Financial Statements Fiscal Year 2021 Report No. 22-020	Improvements are Needed in Management’s Risk Assessment Process, Monitoring, and Financial Statement Preparation and Review	<b>Recommendation No. 1:</b> Design and implement a control for JMD and the components to monitor and evaluate significant changes to operations or financial reporting processes within the Department that will identify, analyze, and respond to financial reporting risks, such as the adoption of new accounting standards, implementations and conversions of financially relevant systems, and utilization of new services organizations supporting the Department.	In Process (Updated by FY 2022 Recommendation No. 4)
		<b>Recommendation No. 2:</b> Design and implement effective internal control processes for JMD and the components to review and monitor service organization control risks to ensure that ineffective controls performed by service organizations are evaluated and appropriate compensating controls are designed and implemented.	Completed
		<b>Recommendation No. 3:</b> Design, implement, and execute policies and procedures for JMD and the components to identify and investigate significant variances across all certified financial statements and footnotes.	Completed

# U.S. DEPARTMENT OF JUSTICE

## PRINCIPAL FINANCIAL STATEMENTS AND RELATED NOTES

SEE INDEPENDENT AUDITORS' REPORT



**U.S. Department of Justice**  
**Consolidated Balance Sheets**  
**As of September 30, 2022 and 2021**

<b>Dollars in Thousands</b>	<b>2022</b>	<b>2021</b>
<b>ASSETS (Note 2)</b>		
Intragovernmental		
Fund Balance with Treasury (Note 3)	\$ 34,234,439	\$ 33,922,718
Investments (Note 5)	3,136,559	3,598,898
Accounts Receivable (Note 6)	671,969	598,967
Advances and Prepayments	158,820	171,787
Other Assets (Note 10)	58,161	48,148
<b>Total Intragovernmental</b>	<b>\$ 38,259,948</b>	<b>\$ 38,340,518</b>
Other than Intragovernmental		
Cash and Other Monetary Assets (Note 4)	\$ 1,412,310	\$ 1,377,333
Accounts Receivable, Net (Note 6)	2,225,793	130,633
Inventory and Related Property, Net:		
Forfeited Property, Net (Note 8)	95,062	82,601
Other Inventory and Related Property, Net (Note 7)	120,361	118,144
General Property, Plant and Equipment, Net (Note 9)	8,265,779	8,769,704
Advances and Prepayments	502,293	570,870
Other Assets (Note 10)	598	591
<b>Total Other than Intragovernmental</b>	<b>\$ 12,622,196</b>	<b>\$ 11,049,876</b>
<b>Total Assets</b>	<b>\$ 50,882,144</b>	<b>\$ 49,390,394</b>
<b>LIABILITIES (Note 11)</b>		
Intragovernmental		
Accounts Payable	\$ 424,125	\$ 287,981
Advances from Others and Deferred Revenue	202,074	198,078
Other Liabilities:		
Custodial Liabilities (Note 21)	2,578,143	838,250
Other (Note 15)	607,469	570,564
<b>Total Intragovernmental</b>	<b>\$ 3,811,811</b>	<b>\$ 1,894,873</b>
Other than Intragovernmental		
Accounts Payable	\$ 2,658,677	\$ 2,644,385
Federal Employee Benefits Payable	2,673,387	2,833,459
Environmental and Disposal Liabilities (Note 12)	83,390	79,614
Advances from Others and Deferred Revenue	922,395	828,507
Other Liabilities:		
Accrued Grant Liabilities	821,239	796,630
Seized Cash and Monetary Instruments (Note 14)	2,877,233	2,849,978
Radiation Exposure Compensation Act Liabilities (Note 26)	155,437	61,918
September 11 <sup>th</sup> Victim Compensation Fund Liabilities (Note 26)	3,580,103	3,294,883
United States Victims of State Sponsored Terrorism Act Liabilities (Note 26)	208,803	177,404
Other (Note 15)	1,550,672	1,404,619
<b>Total Other than Intragovernmental</b>	<b>\$ 15,531,336</b>	<b>\$ 14,971,397</b>
<b>Total Liabilities</b>	<b>\$ 19,343,147</b>	<b>\$ 16,866,270</b>
Commitments and Contingencies (Note 16)		
<b>NET POSITION</b>		
Unexpended Appropriations - Funds from Dedicated Collections (Note 17)	\$ (1,444)	\$ 2,877
Unexpended Appropriations - Funds from other than Dedicated Collections	19,924,921	17,889,713
<b>Total Unexpended Appropriations</b>	<b>\$ 19,923,477</b>	<b>\$ 17,892,590</b>
Cumulative Results of Operations - Funds from Dedicated Collections (Note 17)	8,438,893	10,516,607
Cumulative Results of Operations - Funds from other than Dedicated Collections	3,176,627	4,114,927
<b>Total Cumulative Results of Operations</b>	<b>\$ 11,615,520</b>	<b>\$ 14,631,534</b>
<b>Total Net Position</b>	<b>\$ 31,538,997</b>	<b>\$ 32,524,124</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 50,882,144</b>	<b>\$ 49,390,394</b>

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, 2022 and 2021**

**Dollars in Thousands**

	FY	Gross Costs			Less: Earned Revenues			Net Cost of Operations (Note 18)
		Intra-governmental	Other than Intra-governmental	Total	Intra-governmental	Other than Intra-governmental	Total	
<b>MP 1</b>	<b>2022</b>	\$ 5,989,078	\$ 14,048,663	\$ 20,037,741	\$ 153,550	\$ 749,119	\$ 902,669	\$ 19,135,072
	<b>2021</b>	5,440,447	14,004,755	19,445,202	48,987	673,396	722,383	18,722,819
<b>MP 2</b>	<b>2022</b>	1,661,383	4,871,866	6,533,249	177,141	195,421	372,562	6,160,687
	<b>2021</b>	1,580,595	5,006,290	6,586,885	159,910	239,550	399,460	6,187,425
<b>MP 3</b>	<b>2022</b>	2,132,871	9,088,736	11,221,607	288,672	384,814	673,486	10,548,121
	<b>2021</b>	2,020,959	9,026,813	11,047,772	273,720	374,769	648,489	10,399,283
<b>MP 4</b>	<b>2022</b>	224,481	5,194,349	5,418,830	14,098	—	14,098	5,404,732
	<b>2021</b>	248,603	5,052,282	5,300,885	20,276	3	20,279	5,280,606
<b>MP 5</b>	<b>2022</b>	462,898	1,705,441	2,168,339	683,565	290,736	974,301	1,194,038
	<b>2021</b>	396,174	1,687,279	2,083,453	636,888	526,611	1,163,499	919,954
<b>Total</b>	<b>2022</b>	<u>\$ 10,470,711</u>	<u>\$ 34,909,055</u>	<u>\$ 45,379,766</u>	<u>\$ 1,317,026</u>	<u>\$ 1,620,090</u>	<u>\$ 2,937,116</u>	<u>\$ 42,442,650</u>
	<b>2021</b>	<u>\$ 9,686,778</u>	<u>\$ 34,777,419</u>	<u>\$ 44,464,197</u>	<u>\$ 1,139,781</u>	<u>\$ 1,814,329</u>	<u>\$ 2,954,110</u>	<u>\$ 41,510,087</u>

Major Program (MP) 1 Law Enforcement  
Major Program (MP) 2 Litigation and Compensation  
Major Program (MP) 3 Prisons and Detention  
Major Program (MP) 4 Grants  
Major Program (MP) 5 Executive Oversight and Enterprise Technology

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

**U.S. Department of Justice**  
**Consolidated Statement of Changes in Net Position**  
**For the Fiscal Year Ended September 30, 2022**

**Dollars in Thousands**

	2022			
	Funds from Dedicated Collections (Note 17)	Funds from other than Dedicated Collections	Eliminations	Total
<b>Unexpended Appropriations</b>				
<b>Beginning Balances</b>	\$ 2,877	\$ 17,889,713	\$ —	\$ 17,892,590
Appropriations Received	1,356	38,071,523	—	38,072,879
Appropriations Transferred-In/Out	—	1,092,113	—	1,092,113
Other Adjustments	—	(771,525)	—	(771,525)
Appropriations Used	(5,677)	(36,356,903)	—	(36,362,580)
<b>Net Change in Unexpended Appropriations</b>	<u>\$ (4,321)</u>	<u>\$ 2,035,208</u>	<u>\$ —</u>	<u>\$ 2,030,887</u>
<b>Total Unexpended Appropriations</b>	<u>\$ (1,444)</u>	<u>\$ 19,924,921</u>	<u>\$ —</u>	<u>\$ 19,923,477</u>
<b>Cumulative Results of Operations</b>				
<b>Beginning Balances</b>	\$ 10,516,607	\$ 4,114,927	—	\$ 14,631,534
Adjustments				
Changes in Accounting Principles (Note 27)	(8,500)	(402,596)	—	(411,096)
<b>Beginning Balances, as Adjusted</b>	<u>\$ 10,508,107</u>	<u>\$ 3,712,331</u>	<u>\$ —</u>	<u>\$ 14,220,438</u>
Other Adjustments	(127,000)	(234,839)	—	(361,839)
Appropriations Used	5,677	36,356,903	—	36,362,580
Nonexchange Revenues	866,418	621	—	867,039
Donations and Forfeitures of Cash and Cash Equivalents	1,364,899	275	—	1,365,174
Transfers-In/Out Without Reimbursement	(601,033)	522,793	—	(78,240)
Donations and Forfeitures of Property	420,818	—	—	420,818
Imputed Financing (Note 19)	39,327	1,250,715	(15,798)	1,274,244
Other	(8)	(12,036)	—	(12,044)
<b>Net Cost of Operations</b>	<u>(4,038,312)</u>	<u>(38,420,136)</u>	<u>15,798</u>	<u>(42,442,650)</u>
<b>Net Change in Cumulative Results of Operations</b>	<u>(2,069,214)</u>	<u>(535,704)</u>	<u>—</u>	<u>(2,604,918)</u>
<b>Total Cumulative Results of Operations</b>	<u>\$ 8,438,893</u>	<u>\$ 3,176,627</u>	<u>\$ —</u>	<u>\$ 11,615,520</u>
<b>Net Position</b>	<u>\$ 8,437,449</u>	<u>\$ 23,101,548</u>	<u>\$ —</u>	<u>\$ 31,538,997</u>

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

**U.S. Department of Justice**  
**Consolidated Statement of Changes in Net Position**  
**For the Fiscal Year Ended September 30, 2021**

**Dollars in Thousands**

	2021			
	Funds from Dedicated Collections	Funds from other than Dedicated Collections	Eliminations	Total
<b>Unexpended Appropriations</b>				
<b>Beginning Balances</b>	\$ 2,877	\$ 16,619,046	\$ —	\$ 16,621,923
Appropriations Received	—	36,047,475	—	36,047,475
Appropriations Transferred-In/Out	—	966,479	—	966,479
Other Adjustments	—	(248,215)	—	(248,215)
Appropriations Used	—	(35,495,072)	—	(35,495,072)
<b>Net Change in Unexpended Appropriations</b>	<u>\$ —</u>	<u>\$ 1,270,667</u>	<u>\$ —</u>	<u>\$ 1,270,667</u>
<b>Total Unexpended Appropriations</b>	<u>\$ 2,877</u>	<u>\$ 17,889,713</u>	<u>\$ —</u>	<u>\$ 17,892,590</u>
<b>Cumulative Results of Operations</b>				
<b>Beginning Balances</b>	\$ 12,897,907	\$ 4,791,420	\$ —	\$ 17,689,327
Other Adjustments	—	(6)	—	(6)
Appropriations Used	—	35,495,072	—	35,495,072
Nonexchange Revenues	781,903	119	—	782,022
Donations and Forfeitures of Cash and Cash Equivalents	1,070,711	(2)	—	1,070,709
Transfers-In/Out Without Reimbursement	(448,279)	190,314	—	(257,965)
Donations and Forfeitures of Property	393,144	—	—	393,144
Imputed Financing (Note 19)	37,375	959,964	(16,554)	980,785
Other	4	(11,471)	—	(11,467)
<b>Net Cost of Operations</b>	<u>(4,216,158)</u>	<u>(37,310,483)</u>	<u>16,554</u>	<u>(41,510,087)</u>
<b>Net Change in Cumulative Results of Operations</b>	<u>(2,381,300)</u>	<u>(676,493)</u>	<u>—</u>	<u>(3,057,793)</u>
<b>Total Cumulative Results of Operations</b>	<u>\$ 10,516,607</u>	<u>\$ 4,114,927</u>	<u>\$ —</u>	<u>\$ 14,631,534</u>
<b>Net Position</b>	<u>\$ 10,519,484</u>	<u>\$ 22,004,640</u>	<u>\$ —</u>	<u>\$ 32,524,124</u>

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, 2022 and 2021**

Dollars in Thousands	2022	2021
<b>Budgetary Resources</b>		
Unobligated Balance from Prior Year Budget Authority, Net (discretionary and mandatory) (Note 20)	\$ 11,891,437	\$ 9,212,753
Appropriations (discretionary and mandatory)	43,012,364	40,757,966
Spending Authority from Offsetting Collections (discretionary and mandatory)	5,032,258	5,360,298
<b>Total Budgetary Resources</b>	<b><u>\$ 59,936,059</u></b>	<b><u>\$ 55,331,017</u></b>
<b>Status of Budgetary Resources</b>		
New Obligations and Upward Adjustments (Total)	\$ 50,145,703	\$ 44,891,099
Unobligated Balance, End of Year:		
Apportioned, Unexpired Accounts	7,937,039	8,618,468
Exempt from Apportionment, Unexpired Accounts	305,150	353,662
Unapportioned, Unexpired Accounts	323,169	481,672
Unexpired Unobligated Balance, End of Year	8,565,358	9,453,802
Expired Unobligated Balance, End of Year	1,224,998	986,116
Unobligated Balance - End of Year (Total)	9,790,356	10,439,918
<b>Total Status of Budgetary Resources</b>	<b><u>\$ 59,936,059</u></b>	<b><u>\$ 55,331,017</u></b>
<b>Outlays, Net</b>		
Outlays, Net (Total) (discretionary and mandatory)	\$ 40,917,136	\$ 41,187,770
Less: Distributed Offsetting Receipts	883,432	1,038,771
Agency Outlays, Net (discretionary and mandatory)	<b><u>\$ 40,033,704</u></b>	<b><u>\$ 40,148,999</u></b>

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



**U.S. Department of Justice**  
**Combined Statements of Custodial Activity**  
**For the Fiscal Years Ended September 30, 2022 and 2021**

Dollars in Thousands	2022	2021
<b>Total Custodial Revenue</b>		
Sources of Cash Collections		
Federal Debts, Fines, Penalties and Restitution	\$ 4,378,795	\$ 7,829,493
Fees and Licenses	121,040	108,878
Miscellaneous	4,994	660
Total Cash Collections	<u>\$ 4,504,829</u>	<u>\$ 7,939,031</u>
Accrual Adjustments	2,081,903	1,753
<b>Total Custodial Revenue (Note 21)</b>	<b>\$ 6,586,732</b>	<b>\$ 7,940,784</b>
<b>Disposition of Collections</b>		
Transferred to Federal Agencies		
Government Printing Office	(7)	—
The Judiciary	(109,186)	(89,232)
U.S. Department of Agriculture	(45,948)	(87,945)
U.S. Department of Commerce	(10,720)	(9,230)
U.S. Department of the Interior	(585,035)	(568,102)
U.S. Department of Justice	(554,680)	(203,482)
U.S. Department of Labor	(31,242)	(655)
Pension Benefit Guaranty Corporation	(106)	—
U.S. Postal Service	(13,327)	(32,115)
U.S. Department of State	(2,802)	(138)
U.S. Department of the Treasury	(563,964)	(649,229)
Office of Personnel Management	(35,568)	(15,542)
Federal Communications Commission	(420)	(3,908)
Social Security Administration	(567)	(484)
Federal Trade Commission	(162,373)	(150,506)
Smithsonian Institution	(2)	—
U.S. Department of Veterans Affairs	(25,435)	(169,423)
Equal Employment Opportunity Commission	—	(4,839)
General Services Administration	(1,435)	(14,892)
National Science Foundation	(1,755)	(334)
Federal Deposit Insurance Corporation	(128)	(4)
National Endowment For the Humanities	(14)	(1)
Railroad Retirement Board	(452)	(206)
Environmental Protection Agency	(314,173)	(1,073,923)
U.S. Department of Transportation	(4,496)	(6,310)
U.S. Department of Homeland Security	(244,157)	(151,990)
Agency for International Development	(312)	(6,951)
Small Business Administration	(8,270)	(11,361)
U.S. Department of Health and Human Services	(1,202,178)	(1,234,546)
United States Intl Development Finance Corporation	(33)	(130)
National Aeronautics and Space Administration	(4,070)	(1,732)
Export-Import Bank of the United States	(1,411)	(1,142)
U.S. Department of Housing and Urban Development	(26,952)	(117,398)
U.S. Department of Energy	(7,109)	(202,757)
U.S. Department of Education	(21,526)	(10,729)
Commodities Futures Trading Commission	(88)	(288)
Corporation of National & Community Services	(2,205)	(42)
Federal Reserve Board	(6)	(4)
Treasury General Fund	(306,674)	(2,737,626)
U.S. Department of Defense	(94,339)	(136,523)
Transferred to the Public	(277,574)	(256,130)
(Increase)/Decrease in Amounts Yet to be Transferred	(1,808,272)	231,622
Increase/(Decrease) in Refunds Payable and Other Liabilities	(6,463)	(3,809)
Retained by the Reporting Entity	<u>(111,258)</u>	<u>(218,748)</u>
<b>Total Disposition Of Collections</b>	<b>(6,586,732)</b>	<b>(7,940,784)</b>
<b>Net Custodial Activity</b>	<b>\$ —</b>	<b>\$ —</b>

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

## **Note 1. Summary of Significant Accounting Policies**

### **A. Reporting Entity**

The DOJ (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)
- Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
- Federal Bureau of Prisons (BOP)
- Drug Enforcement Administration (DEA)
- Federal Bureau of Investigation (FBI)
- Federal Prison Industries, Inc. (FPI)
- Offices, Boards and Divisions (OBDs)
- Office of Justice Programs (OJP)
- U.S. Marshals Service (USMS)

### **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 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, Other Liabilities, as defined by OMB Circular A-136, have been disaggregated on the Consolidated Balance Sheets. These include Custodial Liabilities; Accrued Grant Liabilities; Seized Cash and Monetary Instruments; Radiation Exposure Compensation Act (RECA) Liabilities; September 11<sup>th</sup> Victim Compensation Fund Liabilities; and United States Victims of State Sponsored Terrorism Fund (USVSSTF) Liabilities. Additionally, Inventory and Related Property, Net have been disaggregated on the Consolidated Balance Sheets to identify Forfeited Property, Net, and Other Inventory and Related Property, Net.

**Note 1. Summary of Significant Accounting Policies (continued)**

**C. Basis of Consolidation**

The consolidated/combined financial statements of the Department include the accounts of the AFF/SADF, ATF, BOP, DEA, FBI, FPI, OBDs, OJP, and USMS. 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 2022 and 2021, 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 is self-sustaining. While FPI performs budgetary accounting in preparing its financial statements, FPI does not record budgetary information at the transaction level. Additionally, FPI's revenues are primarily derived from the sale of products and services to other federal departments, agencies, and government institutions that purchase products listed on FPI's Schedule of Products.

Custodial activity reported on the Combined Statements of Custodial Activity, reports revenue from cash collections separately from receivable accruals, and cash disbursements are reported separately from payable accruals. Civil and Criminal Debt Collections are recorded when the Department receives payment from debtors. An accrual adjustment is recorded on the Statements of Custodial Activity recognize custodial accounts receivable, adjust cash collections, and refund disbursements with the net increase or decrease of accrued non-entity accounts receivables, net of uncollectible amounts, and refunds payable at year-end.

Proprietary and budgetary accounting are complementary; however, both the types of information presented, and the timing of their recognition are sometimes different. Information is therefore needed about the differences between proprietary and budgetary accounting, which is accomplished in part by presenting a Reconciliation of Net Cost to Net Outlays, Note 22. This reconciliation helps explain and clarify how proprietary basis of accounting Net Cost of Operations (cash and non-cash transactions) for the fiscal year relates to budgetary basis of accounting Outlays/Disbursements, Net (cash transactions) for the fiscal year and the reconciling items between the two.

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.

**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, investments of seized cash, accounts receivable, and other monetary assets.

**Note 1. Summary of Significant Accounting Policies (continued)**

**F. Fund Balance with Treasury and Cash and Other Monetary Assets**

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 Fiscal Service. 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 Fiscal Service website. 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, the USVSSTF and the Federal Prison Commissary Fund are four 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.

The United States Victims of State Sponsored Terrorism Act, codified at 34 U.S.C. § 20144 states that the USVSSTF shall be invested in the same manner as a trust fund and authorizes the Treasury to manage the investment of the USVSSTF. The DOJ notifies the Treasury promptly of amounts deposited to the USVSSTF in order to ensure that Treasury may invest such receipts in the account. Treasury, in its administrative discretion, determines how the USVSSTF will be invested, to ensure that the securities purchased for the USVSSTF will have maturities suitable to the needs of the USVSSTF. Interest revenue on investments will be reported on an accrual basis.

**Note 1. Summary of Significant Accounting Policies (continued)**

**H. Accounts Receivable**

Net accounts receivable includes reimbursement and refund receivables due from intragovernmental entities and other than intragovernmental entities, less the allowance for doubtful accounts. Intragovernmental accounts receivable primarily represent amounts due from other federal agencies for reimbursable work performed pursuant to the Economy Act and other statutory authority. Claims with other federal agencies are resolved in accordance with the business rules published in Appendix 10 of Treasury Financial Manual, Volume I, Part 2, Chapter 4700. In this regard, most intragovernmental accounts receivable are considered fully collectible, certain custodial activities being an exception. Other than intragovernmental accounts receivable primarily represent claims or damages owed to others, related to violations of laws or regulations, which DOJ is considered the collecting or custodial entity. The allowance for doubtful accounts for other than intragovernmental receivables, including custodial activities, is estimated based on past collection experience and analysis of outstanding receivable balances at year-end.

For Custodial Accounts Receivable, DOJ applies the accounting provisions of SFFAS No. 7, *Accounting for Revenue and Other Financing Sources and Concepts for Reconciling Budgetary and Financial Accounting, as amended*, and SFFAS No. 1, *Accounting for Selected Assets and Liabilities*. SFFAS No. 7 requires that “nonexchange revenue should be measured by the collecting entities, but should be recognized by the entities legally entitled to the revenue (the recipient entities).” Further, SFFAS No. 1, relating to accounts receivable, defines “measurement” as the “process of expressing an asset or liability in monetary units.” The accrual adjustment consists of accounts receivable, the allowance for uncollectible amounts, and liability for refunds. Additional details regarding the Department’s custodial non-exchange activities are provided in Note 21, Custodial Revenues.

**I. Inventory and Related Property**

Inventory is 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. These categories are generally defined as follows: Raw Materials consist of materials that have been acquired and are available for the production cycle, Work-in-Process is composed of materials that have moved into the production process and have some measurable amount of labor and overhead added, and Finished Goods are materials with added labor and overhead that have completed the production cycle and are awaiting sale to customers.

Raw material inventory is valued at moving average costs. Inventories are valued at the lower cost or net realizable value (LCNRV) and include materials, labor, and manufacturing overhead. Net realizable value is calculated on the basis of the contractual or anticipated selling price, less allowance for administrative expenses. The Department values its finished goods and sub-assembly items at a standard cost that is periodically adjusted to approximate actual cost. The Department has established inventory allowances to account for LCNRV adjustments and excess, obsolete, or unserviceable inventory 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.

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

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**Note 1. Summary of Significant Accounting Policies (continued)**

**J. General Property, Plant and Equipment**

Capitalization of general property, plant and equipment (GPP&E) occurs when the initial cost of acquiring or improving the asset meets the minimum threshold and the asset has an estimated useful life of two or more years. Land is always capitalized regardless of the acquisition costs. Capitalization thresholds were amended for periods after September 30, 2021 by DOJ Policy Statement 1400.06, *Capitalization of General Property, Plant and Equipment, and Internal Use Software*. For projects funded by an appropriation, the Department established standard capitalization thresholds as shown below:

Type of Property	Capitalization Threshold
Real Property	\$1,000
Personal Property	\$100
Aircraft	\$750
Internal Use Software	\$5,000

An exception to the Department's standard capitalization thresholds provides Revolving, Working Capital, and Trust Fund entities the option to establish its own capitalization thresholds for GPP&E and Internal Use Software. If this option is exercised, the thresholds must not conflict with the standard capitalization thresholds, but may be more restrictive, at the discretion of the entity. Federal Prisons Industries, Inc., a revolving fund, exercised this option and established a threshold to capitalize personal property acquisition costs exceeding \$10. The Federal Bureau of Prisons was granted a policy waiver, capitalizing real property acquisition costs equal to or exceeding \$100 and personal property equal to or exceeding \$50.

Depreciation or amortization of GPP&E, based on historical cost, is calculated 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 funds disbursed to finance operations that exceed the total expenditures incurred. 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.

**L. Forfeited and Seized Property**

Forfeited property is property for which the title has passed to the U.S. Government. The property is recorded at the estimated market value at the time of forfeiture and is adjusted at the time of disposal, or as needed by management. The value of the property is reduced by the estimated liens of record. The amount ultimately realized from the forfeiture and disposition of these assets could differ from the amounts initially reported. The proceeds from the sale of forfeited property are deposited in the AFF.



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

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**Note 1. Summary of Significant Accounting Policies (continued)**

**L. Forfeited and Seized Property (continued)**

Market value of seized and forfeited property is determined by the following:

<b>Asset Type</b>	<b>Valuation Documentation</b>
Cash/Currency, Monetary Instruments	Copy of Check, cash management company (e.g., Brinks) receipt, EFT, wire confirmation, in accordance with DOJ policy
Financial Instruments	Web-based valuation tools (e.g., for crypto currency, CoinMarketCap.com), financial market, account statement, other source in accordance with DOJ policy
Vehicles	National Automobile Dealers Association (NADA) or Kelley Blue Book value in accordance with DOJ policy
Real Property	Real Property Appraisal/Broker's Price Opinion (BPO)
Other Valued Assets	Professional appraisal, web-based valuation tools (e.g., Usedprice.com), other source in accordance with DOJ policy

Seized property is property that the government has taken possession of, in consequence of an alleged violation of public law. Seized property can include cash and monetary instruments, cryptocurrency or digital currency <sup>1</sup>, real property, and tangible personal property of others in the actual or constructive possession of the custodial agency.

Most seized property is held by the USMS from the point of seizure until its disposition. In certain cases, the investigative agency will keep seized property in its custody if the intention is to place the property into official use after forfeiture or to use the property as evidence in a court proceeding. This property is valued at fair market value upon seizure, or, as soon as reasonably possible when market value could not be readily determined. Seized cash and monetary instruments are presented as assets with offsetting liabilities on the Consolidated Balance Sheets. Seized property other than cash and monetary instruments are only presented in the notes to the financial statements.

**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, 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.

Accounts payable recorded under liabilities are amounts owed by DOJ for goods and services received. When DOJ accepts title to goods, whether the goods are delivered or in transit, or incurs costs for services received, DOJ recognizes a liability for the unpaid amount of the goods and services. If invoices for those goods and services are not available when the financial statements are prepared, the amounts owed are estimated. Intragovernmental accounts payable consists of amounts owed to other Federal Government agencies for goods and services received. The remaining accounts payable consist of amounts due to the public.

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<sup>1</sup> Cryptocurrency seized for evidence is reported with personal property in Note 8, Forfeited and Seized Property, Net

**Note 1. Summary of Significant Accounting Policies (continued)**

**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 Consolidated 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.

**O. Commitments and Contingencies**

The Department is involved in various administrative proceedings, legal actions, and claims. Legal actions where management and the Chief Counsel consider adverse decisions “probable” or “reasonably possible” and the amounts are reasonably estimable are disclosed in Commitments and Contingencies, 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”. Where adverse decisions are considered “probable,” the Department considers those liabilities current as claims are generally paid shortly after settlement.

**P. Annual, Sick, and Other Leave**

Annual and compensatory unfunded 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 unfunded 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.



**Note 1. Summary of Significant Accounting Policies (continued)**

**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). The Department contributes 7% of the gross pay for regular employees and 7.5% for law enforcement officers.
- 2) Employees hired January 1, 1984 or later, are covered by the Federal Employees Retirement System (FERS).
  - a. Employees hired January 1, 1984 through December 31, 2012, are covered by the FERS. The Department contributes 18.4% of the gross pay for regular employees and 37.6% for law enforcement officers.
  - b. Employees hired January 1, 2013 through December 31, 2013, are covered by the Federal Employees Retirement System-Revised Annuity Employees (FERS-RAE). The Department contributes 16.6% of the gross pay for regular employees and 35.8% for law enforcement officers.
  - c. Employees hired January 1, 2014 or later are covered by the Federal Employees System-Further Revised Annuity Employees (FERS-FRAE). The Department contributes 16.6% of the gross pay for regular employees and 35.8% for law enforcement officers.

All employees are eligible to contribute to the Federal Thrift Savings Plan (TSP). For those employees covered by the FERS, FERS-RAE and FERS-FRAE, 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 or FERS 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, 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. 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

**Note 1. Summary of Significant Accounting Policies (continued)**

**S. Federal Employee Compensation Benefits (continued)**

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.

**T. Intragovernmental Activity**

Intragovernmental costs and exchange revenue represent transactions made between two reporting entities within the federal government. Costs and earned revenues with other than intragovernmental represent exchange transactions made between the reporting entity and a non-federal entity. With the exception of certain accruals, the classification of revenue or cost as "intragovernmental" or "other than intragovernmental" is defined on a transaction-by-transaction basis.

**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; fees for providing fingerprint-based and name-based Criminal History Record Information checks and other identification; 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 attributable to the collections of fines, penalty assessments, and bond

**Note 1. Summary of Significant Accounting Policies (continued)**

**U. Revenues and Other Financing Sources (continued)**

forfeitures from defendants convicted of federal crimes, 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.

**V. Funds from Dedicated Collections**

SFFAS No. 43, *Funds from Dedicated Collections: Amending Statement of Federal Financial Accounting Standards 27, Identifying and Reporting Earmarked Funds*, 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: Assets Forfeiture Fund, U.S. Trustee System Fund, Antitrust Division, U.S. Victims of State Sponsored Terrorism Fund, Crime Victims Fund, Domestic Trafficking 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 A-136, 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:

**Note 1. Summary of Significant Accounting Policies (continued)**

**W. Allocation Transfer of Appropriation (continued)**

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.

OJP receives, as a child entity, allocation transfers of appropriations from the Executive Office of the President. This transfer is authorized by Public Law 111-117, “Consolidated Appropriations Act, 2010” and Public Law 112-74, “Consolidated Appropriations Act, 2012”. Per OMB A-11, *Preparation, Submission, and Execution of the Budget* 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 HHS. PHS provides a portion of medical treatment for federal inmates. The money is designated and expended for current year obligations 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 (AOUSC). 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 a periodic 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 2021 financial statements were reclassified to conform to the FY 2022 Departmental financial statement presentation requirements.

These reclassifications have no material effect on total assets, liabilities, net position, change in net position, budgetary resources, or custodial activity as previously reported.

**Note 1. Summary of Significant Accounting Policies (continued)**

**AA. Subsequent Events**

Subsequent events and transactions occurring after September 30, 2022 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.

**AB. Classified Activities**

Accounting standards require all reporting entities to disclose that accounting standards allow certain presentations and disclosures to be modified, if needed, to prevent the disclosure of classified information.

**AC. Public-Private Partnerships**

SFFAS No. 49, *Public-Private Partnerships: Disclosure Requirements* establishes principles to ensure that disclosures about public-private partnerships (P3) are presented in the reporting entity's general purpose Federal financial reports (GPFRR). The principles guide financial reporting by establishing a P3 definition and identifying risk-based characteristics that need to exist before considering the P3 arrangement or transaction for disclosure. SFFAS No. 49 exempts certain arrangements or transactions from the P3 disclosure requirements. Such exempt arrangements or transactions are subject to existing disclosure requirements in other FASAB standards applicable to such arrangements or transactions. For FYs 2022 and 2021, the Department identified P3 relationships that met the SFFAS No. 49 disclosure requirements. Additional details regarding the P3 arrangements are provided in Note 23, Public-Private Partnerships.

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

**Note 2. Non-Entity Assets**

As of September 30, 2022 and 2021

	2022	2021
Intragovernmental		
Fund Balance with Treasury	\$ 732,003	\$ 1,033,285
Investments	1,580,000	1,580,000
Other Assets	2,614	1,540
Total Intragovernmental	\$ 2,314,617	\$ 2,614,825
Other than Intragovernmental		
Cash and Other Monetary Assets	\$ 1,344,069	\$ 1,310,267
Accounts Receivable, Net	2,092,826	9,833
Total Other than Intragovernmental	3,436,895	1,320,100
Total Non-Entity Assets	5,751,512	3,934,925
Total Entity Assets	45,130,632	45,455,469
Total Assets	\$ 50,882,144	\$ 49,390,394

**Note 3. Fund Balance with Treasury**

The Fund Balance with Treasury represent the unexpended balances on the Department's books for the entire Department's Treasury Account Symbols.

As of September 30, 2022 and 2021

	2022	2021
Status of Fund Balances With Treasury		
Unobligated Balance - Available	\$ 8,242,189	\$ 8,972,130
Unobligated Balance - Unavailable	1,548,167	1,467,788
Obligated Balance not yet Disbursed	23,420,035	20,905,364
Non-Budgetary Fund Balance with Treasury	2,455,950	4,509,428
Budgetary Resources from Invested Balances	(1,435,949)	(1,936,039)
Total Status of Fund Balances with Treasury	\$ 34,230,392	\$ 33,918,671

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 – Available includes amounts restricted for use in future fiscal years (apportioned as Category C), and available for obligation in subsequent periods. For the fiscal years ended September 30, 2022 and 2021, the amounts restricted for future use are \$217,163 and \$262,459, respectively.

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

**Note 3. Fund Balance with Treasury (continued)**

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 adjustments for existing obligations. 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.

Non-Budgetary Fund Balance with Treasury is primarily comprised of unavailable receipt accounts and clearing accounts that do not have budget authority and non-budgetary Fund Balance with Treasury recognized on the Balance Sheet such as non-fiduciary deposit funds.

As of September 30, 2022 and 2021, the respective immaterial variances of \$4,047 and \$4,047 between Fund Balance with Treasury line item on the Balance Sheet and Total Status of Fund Balances on the note represent sequestered BOP balances, respectively.

**Note 4. Cash and Other Monetary Assets**

As of September 30, 2022 and 2021

	2022	2021
Cash		
Undeposited Collections	\$ 10	\$ 11
Imprest Funds	68,241	67,066
Seized Cash Deposited	1,227,755	1,192,416
Other	37,781	30,821
Total Cash	<u>1,333,787</u>	<u>1,290,314</u>
Other Monetary Assets		
Seized Monetary Instruments	78,523	87,019
Total Other Monetary Assets	<u>78,523</u>	<u>87,019</u>
Total Cash and Other Monetary Assets	<u>\$ 1,412,310</u>	<u>\$ 1,377,333</u>

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

**Note 5. Investments**

	Cost/ Acquisition Value	Amortization Method	Amortized (Premium) Discount	Interest Receivable	Investments, Net	Market Value/Fair Value
As of September 30, 2022						
Intragovernmental Securities and Investments:						
Non-Marketable: Market Based	\$ 3,113,919	Straight-Line	\$ 22,534	\$ 106	\$ 3,136,559	\$ 3,105,667
As of September 30, 2021						
Intragovernmental Securities and Investments:						
Non-Marketable: Market Based	\$ 3,596,467	Straight-Line	\$ 2,238	\$ 193	\$ 3,598,898	\$ 3,601,241



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

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**Note 6. Accounts Receivable, Net**

As of September 30, 2022 and 2021

	2022	2021
Intragovernmental		
Accounts Receivable	\$ 671,969	\$ 598,967
Total Intragovernmental	\$ 671,969	\$ 598,967
Other than Intragovernmental		
Accounts Receivable	\$ 5,035,046	\$ 145,327
Allowance for Uncollectible Accounts	(2,809,253)	(14,694)
Total Other than Intragovernmental	2,225,793	130,633
Total Accounts Receivable, Net	\$ 2,897,762	\$ 729,600

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

The accounts receivable other than intragovernmental primarily consists of custodial receivables, OBDs U.S. Trustee Chapter 11 quarterly fees, FBI Non-Federal User Fee Program, and FBI National Name Check Program.

Accounts receivable related to criminal restitution orders the Department monitors is not included in this note, as the Department is not the ultimate recipient of the collections. Additionally, in many cases, the potential collections are not specifically identifiable, and the amount cannot be reasonably estimated.

**Note 7. Inventory and Related Property, Net**

As of September 30, 2022 and 2021

	2022	2021
Inventory		
Raw Materials	\$ 52,925	\$ 53,239
Work in Process	12,176	11,705
Finished Goods	16,595	19,677
Inventory Purchased for Resale	23,952	19,911
Excess, Obsolete, and Unserviceable	984	1,956
Inventory Allowance	(4,224)	(5,840)
Operating Materials and Supplies		
Held for Current Use	17,953	17,496
Total Inventory and Related Property, Net	\$ 120,361	\$ 118,144



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

**Note 8. Forfeited and Seized Property, Net**

**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, asset group changes, and valuation changes that occurred during the current year for assets that were already on hand at the start of the year.

**Method of Disposition of Forfeited Property:**

For the fiscal years ended September 30, 2022 and 2021, \$198,461 and \$176,085 of forfeited property were sold, \$2,346 and \$211 were destroyed or donated, \$1,987 and \$41,814 were returned to owners, and \$202,652 and \$213,983 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.

As of September 30, 2022

Forfeited Property Category		Beginning Balance	Adjustments (1)	Forfeitures	Disposals	Ending Balance	Liens and Claims	Ending Balance, Net of Liens
Financial Instruments	Number	236	385	913	(1,261)	273	—	273
	Value	\$ 10,847	\$ 36,028	\$ 216,884	\$ (253,849)	\$ 9,910	\$ —	\$ 9,910
Real Property	Number	156	9	171	(223)	113	—	113
	Value	\$ 48,285	\$ 3,385	\$ 117,176	\$ (118,301)	\$ 50,545	\$ (1,243)	\$ 49,302
Personal Property	Number	3,726	(176)	3,065	(2,580)	4,035	—	4,035
	Value	\$ 25,858	\$ (1,187)	\$ 45,196	\$ (33,296)	\$ 36,571	\$ (721)	\$ 35,850
Non-Valued Firearms	Number	50,803	(456)	23,489	(17,778)	56,058	—	56,058
Total	Number	54,921	(238)	27,638	(21,842)	60,479	—	60,479
	Value	\$ 84,990	\$ 38,226	\$ 379,256	\$ (405,446)	\$ 97,026	\$ (1,964)	\$ 95,062

(1) Adjustments include property status, asset group, and valuation changes that occurred during the current year for assets that were already on hand at the start of the year. Property status changes include appealed forfeitures and other actions that change the status of an asset between seized and forfeited classifications. Asset group changes occur primarily when cash is substituted for a different asset category. Valuation changes occur primarily due to changes in appraisals.

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

**Note 8. Forfeited and Seized Property, Net (continued)**

As of September 30, 2021

Forfeited Property Category		Beginning Balance	Adjustments (1)	Forfeitures	Disposals	Ending Balance	Liens and Claims	Ending Balance, Net of Liens
Financial Instruments	Number	281	264	921	(1,230)	236	—	236
	Value	\$ 12,298	\$ 53,693	\$ 238,431	\$ (293,575)	\$ 10,847	\$ —	\$ 10,847
Real Property	Number	191	3	171	(209)	156	—	156
	Value	\$ 55,887	\$ (93)	\$ 87,041	\$ (94,550)	\$ 48,285	\$ (1,802)	\$ 46,483
Personal Property	Number	3,467	95	2,145	(1,981)	3,726	—	3,726
	Value	\$ 39,653	\$ 954	\$ 29,219	\$ (43,968)	\$ 25,858	\$ (587)	\$ 25,271
Non-Valued Firearms	Number	48,687	(347)	19,019	(16,556)	50,803	—	50,803
Total	Number	52,626	15	22,256	(19,976)	54,921	—	54,921
	Value	\$ 107,838	\$ 54,554	\$ 354,691	\$ (432,093)	\$ 84,990	\$ (2,389)	\$ 82,601

(1) Adjustments include property status, asset group, and valuation changes that occurred during the current year for assets that were already on hand at the start of the year. Property status changes include appealed forfeitures and other actions that change the status of an asset between seized and forfeited classifications. Asset group changes occur primarily when cash is substituted for a different asset category. Valuation changes occur primarily due to changes in appraisals.

**Analysis of Change in Seized Property:**

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.

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.

Adjustments include property status, asset group changes, and valuation changes that occurred during the current year for assets that were already on hand at the start of the year.

The DEA, FBI, and ATF have custody of drugs taken as evidence for legal proceedings. In accordance with FASAB 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.

**Note 8. Forfeited and Seized Property, Net (continued)**

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. “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:**

For the fiscal years ended September 30, 2022 and 2021, \$1,122,025 and \$936,825 of seized property were forfeited, \$318,987 and \$227,127 were returned to parties with a bona fide interest, and \$14,257 and \$12,950 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.

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

**Note 8. Forfeited and Seized Property, Net (continued)**

As of September 30, 2022

Seized Property Category		Beginning Balance	Adjustments (1)	Seizures	Disposals	Ending Balance	Liens and Claims	Ending Balance, Net of Liens
<b>Seized for Forfeiture</b>								
Seized Cash & Monetary Instruments	Number	22,256	(122)	10,431	(10,987)	21,578	—	21,578
	Value	\$ 2,791,275	\$ 78,336	\$ 1,242,168	\$ (1,286,531)	\$ 2,825,248	\$ (440,158)	\$ 2,385,090
Financial Instruments	Number	1,065	(211)	972	(594)	1,232	—	1,232
	Value	\$ 465,863	\$ (48,001)	\$ 150,225	\$ (46,525)	\$ 521,562	\$ (23,192)	\$ 498,370
Real Property	Number	48	(10)	49	(40)	47	—	47
	Value	\$ 91,143	\$ (8,919)	\$ 18,220	\$ (52,120)	\$ 48,324	\$ (30,481)	\$ 17,843
Personal Property	Number	8,610	(397)	3,900	(3,785)	8,328	—	8,328
	Value	\$ 169,028	\$ (5,811)	\$ 335,423	\$ (60,581)	\$ 438,059	\$ (60,913)	\$ 377,146
Non-Valued Firearms	Number	37,991	2,365	26,426	(26,076)	40,706	—	40,706
Total	Number	69,970	1,625	41,778	(41,482)	71,891	—	71,891
	Value	\$ 3,517,309	\$ 15,605	\$ 1,746,036	\$ (1,445,757)	\$ 3,833,193	\$ (554,744)	\$ 3,278,449

(1) Adjustments include property status, asset group, and valuation changes that occurred during the current year for assets that were already on hand at the start of the year. Property status changes include appealed forfeitures and other actions that change the status of an asset between seized and forfeited classifications. Asset group changes occur primarily when cash is substituted for a different asset category.

As of September 30, 2021

Seized Property Category		Beginning Balance	Adjustments (1)	Seizures	Disposals	Ending Balance	Liens and Claims	Ending Balance, Net of Liens
<b>Seized for Forfeiture</b>								
Seized Cash & Monetary Instruments	Number	15,984	895	13,189	(7,812)	22,256	—	22,256
	Value	\$ 2,355,697	\$ 61,080	\$ 1,400,619	\$ (1,026,121)	\$ 2,791,275	\$ (575,132)	\$ 2,216,143
Financial Instruments	Number	891	(99)	799	(526)	1,065	—	1,065
	Value	\$ 313,382	\$ (48,785)	\$ 263,521	\$ (62,255)	\$ 465,863	\$ (16,776)	\$ 449,087
Real Property	Number	52	(2)	34	(36)	48	—	48
	Value	\$ 87,622	\$ 3,993	\$ 34,121	\$ (34,593)	\$ 91,143	\$ (61,144)	\$ 29,999
Personal Property	Number	5,922	670	4,727	(2,709)	8,610	—	8,610
	Value	\$ 136,472	\$ (9,253)	\$ 81,450	\$ (39,641)	\$ 169,028	\$ (47,560)	\$ 121,468
Non-Valued Firearms	Number	34,054	3,556	21,511	(21,130)	37,991	—	37,991
Total	Number	56,903	5,020	40,260	(32,213)	69,970	—	69,970
	Value	\$ 2,893,173	\$ 7,035	\$ 1,779,711	\$ (1,162,610)	\$ 3,517,309	\$ (700,612)	\$ 2,816,697

(1) Adjustments include property status, asset group, and valuation changes that occurred during the current year for assets that were already on hand at the start of the year. Property status changes include appealed forfeitures and other actions that change the status of an asset between seized and forfeited classifications. Asset group changes occur primarily when cash is substituted for a different asset category.

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

**Note 8. Forfeited and Seized Property, Net (continued)**

As of September 30, 2022

Seized Property Category		Beginning Balance	Adjustments (1)	Seizures	Disposals	Ending Balance
<b>Seized for Evidence</b>						
Seized Monetary Instruments	Value	\$ 68,160	\$ (12,443)	\$ 12,607	\$ (7,294)	\$ 61,030
Personal Property	Number	435	3	113	(104)	447
	Value	\$ 10,012	\$ 12,140	\$ 427,565	\$ (2,218)	\$ 447,499
Non-Valued Firearms	Number	75,631	(4,701)	20,067	(12,165)	78,832
Drug Evidence						
Cocaine	KG	119,218	(6,203)	135,525	(110,734)	137,806
Heroin	KG	8,829	74	1,303	(1,371)	8,835
Marijuana	KG	7,340	32	900	(906)	7,366
Bulk Drug Evidence	KG	128,934	1,081	85,721	(104,942)	110,794
Methamphetamine	KG	64,101	1,464	27,273	(20,194)	72,644
Other	KG	13,777	17	6,981	(2,569)	18,206
Total Drug Evidence	KG	342,199	(3,535)	257,703	(240,716)	355,651

As of September 30, 2021

Seized Property Category		Beginning Balance	Adjustments (1)	Seizures	Disposals	Ending Balance
<b>Seized for Evidence</b>						
Seized Monetary Instruments	Value	\$ 67,142	\$ (12,473)	\$ 25,757	\$ (12,266)	\$ 68,160
Personal Property	Number	430	(18)	98	(75)	435
	Value	\$ 8,434	\$ (1,088)	\$ 4,692	\$ (2,026)	\$ 10,012
Non-Valued Firearms	Number	72,152	(2,366)	16,427	(10,582)	75,631
Drug Evidence						
Cocaine	KG	83,455	1,068	120,661	(85,966)	119,218
Heroin	KG	8,487	109	1,324	(1,091)	8,829
Marijuana	KG	7,480	96	793	(1,029)	7,340
Bulk Drug Evidence	KG	152,984	422	135,909	(160,381)	128,934
Methamphetamine	KG	46,152	991	28,008	(11,050)	64,101
Other	KG	13,326	60	3,414	(3,023)	13,777
Total Drug Evidence	KG	311,884	2,746	290,109	(262,540)	342,199

(1) Adjustments include property status, asset group, and valuation changes that occurred during the current year for assets that were already on hand at the start of the year. Asset group changes occur primarily when cash is substituted for a different asset category.

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

**Note 9. General Property, Plant and Equipment, Net**

As of September 30, 2022

	Acquisition Cost	Accumulated Depreciation	Net Book Value	Useful Life
Land and Land Rights	\$ 186,123	\$ —	\$ 186,123	N/A
Construction in Progress	596,229	—	596,229	N/A
Buildings, Improvements and Renovations	12,823,264	(7,965,133)	4,858,131	2-50 years
Other Structures and Facilities	1,418,248	(911,535)	506,713	10-50 years
Aircraft	694,266	(287,256)	407,010	5-30 years
Boats	14,333	(6,587)	7,746	5-25 years
Vehicles	400,458	(267,320)	133,138	5-10 years
Equipment	1,258,453	(865,794)	392,659	5-12 years
Assets Under Capital Lease	250	(250)	—	2-30 years
Leasehold Improvements	1,937,661	(1,306,678)	630,983	2-20 years
Internal Use Software	2,678,694	(2,273,107)	405,587	2-10 years
Internal Use Software in Development	139,171	—	139,171	N/A
Other General Property, Plant and Equipment	2,589	(300)	2,289	10-20 years
<b>Total</b>	<b>\$ 22,149,739</b>	<b>\$ (13,883,960)</b>	<b>\$ 8,265,779</b>	

As of September 30, 2021

	Acquisition Cost	Accumulated Depreciation	Net Book Value	Useful Life
Land and Land Rights	\$ 185,282	\$ —	\$ 185,282	N/A
Construction in Progress	749,481	—	749,481	N/A
Buildings, Improvements and Renovations	12,423,655	(7,595,459)	4,828,196	2-50 years
Other Structures and Facilities	1,416,843	(878,028)	538,815	10-50 years
Aircraft	685,898	(298,008)	387,890	5-30 years
Boats	16,056	(7,316)	8,740	5-25 years
Vehicles	439,204	(292,016)	147,188	5-10 years
Equipment	1,633,259	(1,089,112)	544,147	5-12 years
Assets Under Capital Lease	378	(376)	2	2-30 years
Leasehold Improvements	2,579,989	(1,742,994)	836,995	2-20 years
Internal Use Software	2,487,021	(2,199,738)	287,283	2-10 years
Internal Use Software in Development	253,232	—	253,232	N/A
Other General Property, Plant and Equipment	2,821	(368)	2,453	10-20 years
<b>Total</b>	<b>\$ 22,873,119</b>	<b>\$ (14,103,415)</b>	<b>\$ 8,769,704</b>	

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

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

As of September 30, 2022 and 2021

	2022	2021
Balance beginning of year	\$ 8,769,704	\$ 8,855,461
Capitalized acquisition	742,589	878,074
Dispositions	(18,284)	(32,558)
Transfers in/(out) without reimbursements	37	(144)
Revaluations	9,541	(6,399)
Depreciation expense	(826,724)	(924,730)
Other	(411,084)	—
Balance at end of year	\$ 8,265,779	\$ 8,769,704

The Other balance of \$411,084 as of September 30, 2022, is primarily attributed to the policy change for capitalization thresholds (see note 27).

**Note 10. Other Assets**

As of September 30, 2022 and 2021

	2022	2021
Intragovernmental		
Other Assets Intragovernmental	\$ 58,161	\$ 48,148
Total Intragovernmental	\$ 58,161	\$ 48,148
Other than Intragovernmental		
Other Assets Other than Intragovernmental	\$ 598	\$ 591
Total Other Assets	\$ 58,759	\$ 48,739

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

**Note 11. Liabilities not Covered by Budgetary Resources**

As of September 30, 2022 and 2021

	2022	2021
Intragovernmental		
Accounts Payable	\$ —	\$ —
Other Liabilities		
Accrued FECA Liabilities	277,285	275,621
Other Unfunded Employment Related Liabilities	2,685	976
Other	17,111	3,942
Total Intragovernmental	\$ 297,081	\$ 280,539
Other than Intragovernmental		
Federal Employee Benefits Payable	\$ 2,640,087	\$ 2,796,030
Environmental and Disposal Liabilities (Note 12)	83,390	79,614
Advances from Others and Deferred Revenue	817,714	736,897
Other Liabilities		
Contingent Liabilities (Note 16)	93,070	77,317
Radiation Exposure Compensation Act Liabilities (Note 26)	155,437	61,918
September 11 <sup>th</sup> Victim Compensation Fund Liabilities (Note 26)	3,580,103	3,294,883
Other	391,438	398,978
Total Other than Intragovernmental	\$ 7,761,239	\$ 7,445,637
Total Liabilities Not Covered by Budgetary Resources	\$ 8,058,320	\$ 7,726,176
Total Liabilities Covered by Budgetary Resources	5,508,700	5,200,144
Total Liabilities Not Requiring Budgetary Resources	5,776,127	3,939,950
Total Liabilities	\$ 19,343,147	\$ 16,866,270

Federal Employee Benefits Payable primarily includes Unfunded Leave Liability and Actuarial FECA Liability. As of September 30, 2022 and 2021, the Department total Unfunded Leave Liability was \$1,052,711 and \$1,124,291, and the Actuarial FECA Liability was \$1,586,835 and \$1,678,736, respectively.

Generally, liabilities not covered by budgetary resources are liabilities for which Congressional action is needed before budgetary resources can be provided. The Department expects that liabilities not covered by budgetary resources will be funded from future budgetary resources when required. These amounts are detailed above. Liabilities covered by budgetary resources are liabilities that do not require appropriations and can be liquidated by the assets of the entities holding these liabilities. Liabilities not requiring budgetary resources are liabilities that have not in the past required and will not in the future require the use of budgetary resources, such as liabilities for clearing accounts, non-fiduciary deposit funds, custodial collections, and unearned revenue.



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

**Note 12. Environmental and Disposal Liabilities**

As of September 30, 2022 and 2021

	2022	2021
Firing Ranges		
Beginning Balance, Brought Forward	\$ 34,952	\$ 34,610
Future Funded Expenses	(960)	—
Inflation Adjustment	346	342
Total Firing Range Liability	<u>\$ 34,338</u>	<u>\$ 34,952</u>
Asbestos		
Beginning Balance, Brought Forward	\$ 44,662	\$ 42,341
New Asbestos	483	—
Abatements	(63)	—
Inflation Adjustment	3,922	2,274
Future Funding Expenses	48	47
Total Asbestos Liability	<u>\$ 49,052</u>	<u>\$ 44,662</u>
Total Environmental and Disposal Liabilities	<u>\$ 83,390</u>	<u>\$ 79,614</u>

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 66 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. In FY 2022, BOP Management increased their estimated clean up liability by the current U.S. inflation rate of 9.3 percent, as determined by Treasury. As of September 30, 2022 and 2021, BOP Management determined their estimated clean-up liability to be \$32,035 and \$32,649 respectively.

The FBI-owned ranges in Quantico, VA and El Toro, CA that contain possible contamination issues based on the Federal Financial Accounting and Auditing Technical Release No. 2, *Determining Probable and Reasonably Estimable for Environmental Liabilities in the Federal Government*, and EPA-902-B-01-001, *Best Management Practices for Lead at Outdoor Shooting Ranges*. The FBI completed a remedial investigation/feasibility study (RI/FS) for the Quantico ranges in March 2015 which is used to estimate the cost of cleanup for the Quantico ranges. The FBI has not conducted a RI/FS for the El Toro ranges. Technical Release No. 2 then requires the agency to recognize the anticipated cost of conducting a future study, plus any other identifiable costs, as a future environmental and disposal liability. The FBI has estimated the cost of the RI/FS for El Toro based on the cost of the Quantico study, adjusted for range size. The estimated total firing range liability is based on the estimated costs for contamination remediation. As of September 30, 2022 and 2021, the FBI reported the estimated firing range cleanup liability of \$2,303 and \$2,303, respectively.

**Note 12. Environmental and Disposal Liabilities (continued)**

**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 remaining in each of the institutions as of October 30, 2009. In FY 2022, BOP Management increased clean-up liability in the amount of \$3,920 by the U.S. inflation rate of 9.3 percent as determined by Treasury. As of September 30, 2022 and 2021, BOP Management recorded a clean-up liability in the amount of \$46,480 and \$42,140, respectively.

The FBI has identified FBI-owned facilities in Quantico, VA that contain hazardous friable and non-friable asbestos. The facilities have a useful life of 70 years. The total estimated asbestos liability of is based on an environmental survey of the facilities that may be contaminated. The current estimated asbestos cleanup liability is the total estimated asbestos liability divided by the useful life and multiplied by the number of years in service, less any current year abatements, and adjusted for inflation. The estimated asbestos cleanup liability is adjusted each quarter by recording future funded expenses for the asbestos cleanup costs. As of September 30, 2022 and 2021, the FBI reported the estimated asbestos cleanup liability of \$2,572 and \$2,522, respectively.

**Note 13. Leases**

**Operating Leases**

The Department acquires functional use of various buildings/facilities, equipment, and other assets via operating lease instruments. Operating leases do not transfer the benefits and risks of ownership; rather, payments for operating leases are expensed over the life of the lease. Major non-cancelable operating leases consists primarily of office space rented from GSA, most with renewal options that range from 1 to 25 years with escalation clauses based on the CPI, and lease periods with a range of 1 to 30 years. Other leases are primarily commercial leases with the general public and include automobile leases.

The FBI has numerous Field Offices expiring within FY 2023 through FY 2027, which include the Albuquerque, Anchorage, Buffalo, Charlotte, Cleveland, Columbia, Indianapolis, Jackson, Jacksonville, Kansas City, Knoxville, Louisville, Memphis, Oklahoma City, Omaha, Pittsburgh, San Antonio, and Washington field offices. Of the 18 Field Offices identified: seven are relocating, three will potentially relocate, and eight are remaining in place. The FBI is currently preparing packages for the Buffalo, Knoxville, and Pittsburgh field offices.

When field offices relocate, often from space leased for 20 years or longer, the rental rates may increase. The field offices that relocate will accommodate the FBI's growth in workforce, space needs, and increased security requirements.

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

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**Note 13. Leases (continued)**

The table below shows the Department's total future lease payments by fiscal year for all federal and non-federal operating leases that have initial or remaining non-cancellable terms in excess of one year as of September 30, 2022.

As of September 30, 2022

**Intragovernmental**

Future Noncancelable Operating Lease Payments Due

Fiscal Year	Land and Buildings	Machinery and Equipment	Total
2023	\$ 424,429	\$ —	\$ 424,429
2024	441,560	—	441,560
2025	435,252	—	435,252
2026	424,656	—	424,656
2027	409,415	—	409,415
After 2027	3,696,699	—	3,696,699
Total Future Noncancelable Operating Lease Payments	\$ 5,832,011	\$ —	\$ 5,832,011

**Other than Intragovernmental**

Future Noncancelable Operating Lease Payments Due

Fiscal Year	Land and Buildings	Machinery and Equipment	Total
2023	\$ 5,020	\$ 4,306	\$ 9,326
2024	4,180	68	4,248
2025	2,254	20	2,274
2026	1,708	—	1,708
2027	1,257	—	1,257
After 2027	1,318	—	1,318
Total Future Noncancelable Operating Lease Payments	\$ 15,737	\$ 4,394	\$ 20,131

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

**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, 2022 and 2021

	2022	2021
Investments, Net	\$ 1,580,000	\$ 1,580,000
Seized Cash Deposited	1,227,755	1,192,416
Seized Monetary Instruments	78,523	87,019
Cash in Transit to (AFF)/SADF	(9,045)	(9,457)
Total Seized Cash and Monetary Instruments	\$ 2,877,233	\$ 2,849,978

**Note 15. Other Liabilities**

As of September 30, 2022 and 2021

	2022	2021
<b>Intragovernmental</b>		
Benefit Program Contributions Payable	\$ 542,575	\$ 508,557
Employer Contributions and Payroll Taxes Payable	55,912	50,444
Liability for Nonfiduciary Deposit Funds and Undeposited Collections	536	536
Liability for Clearing Accounts	(398)	(647)
Liability for Non-Entity Assets Not Reported on the Statement of Custodial Activity	4,591	7,406
Other Liabilities	4,253	4,268
Total Intragovernmental	\$ 607,469	\$ 570,564
<b>Other than Intragovernmental</b>		
Accrued Funded Payroll and Leave	\$ 774,532	\$ 689,739
Other Liabilities without Related Budgetary Obligations	429,220	423,241
Other Liabilities with Related Budgetary Obligations	1,542	7,641
Liability for Nonfiduciary Deposit Funds and Undeposited Collections	149,101	173,679
Liability for Clearing Accounts	1,078	1,643
Custodial Liabilities	99,723	31,390
Contingent Liabilities	93,070	77,317
Other Liabilities	2,406	(31)
Total Other than Intragovernmental	\$ 1,550,672	\$ 1,404,619
Total Other Liabilities	\$ 2,158,141	\$ 1,975,183

The Liability for Non-Entity Assets Not Reported on the Statement of Custodial Activity consists of non-entity assets held in a General Fund Receipt Account or other Department of the Treasury account symbol for transfer to other Federal entities.

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

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**Note 15. Other Liabilities (continued)**

The majority of Intragovernmental Other Liabilities are composed of employer contributions payables, payroll taxes payables, other liabilities without related budgetary obligations, 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.

Most of the Other Liabilities other than intragovernmental are composed of Accrued Funded Payroll and Leave and future funded energy savings performance contracts and utilities. In addition, Other Liabilities other than intragovernmental 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 Total Other Liabilities are current, the only exception is Other Liabilities without related Budgetary Obligations associated with future funded energy saving performance contracts.

**Note 16. Commitments and Contingencies**

As of September 30, 2022	Accrued Liabilities	Estimated Range of Loss	
		Lower	Upper
Legal Contingencies:			
Probable	\$ 93,070	\$ 93,070	\$ 358,107
Reasonably Possible		\$ 2,137,262	\$ 2,366,657
As of September 30, 2021	Accrued Liabilities	Estimated Range of Loss	
		Lower	Upper
Legal Contingencies:			
Probable	\$ 77,317	\$ 77,317	\$ 108,247
Reasonably Possible		\$ 2,395,483	\$ 2,532,748

**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 for the required criteria for funds from dedicated collections.

As of September 30, 2022	Assets Forfeiture Fund (AFF)	Federal Prison Commissary Account (BOP)	Diversion Control Fee Account (DEA)	Antitrust Division (OBD)	U.S. Trustee System Fund (OBD)	United States VSST (OBD)	Crimes Victims Fund (OJP)	Domestic Trafficking Victims Fund (OJP)	Eliminations Between Dedicated Funds	Total Funds from Dedicated Collections (Consolidated)
<b>Balance Sheet</b>										
<b>ASSETS</b>										
<b>Intragovernmental</b>										
Fund Balance with Treasury	\$ 1,350,658	\$ 166,477	\$ 236,782	\$ 111,504	\$ 208,146	\$ 82,935	\$ 7,042,571	\$ 4,639	\$ —	\$ 9,203,712
Investments, Net	946,048	—	—	—	162,283	168,629	—	—	—	1,276,960
Accounts Receivable	6,010	6,500	—	—	—	—	—	—	—	12,510
Advances and Prepayments	—	—	278	—	—	—	(7,139)	—	—	(6,861)
Other Intragovernmental Assets	—	—	—	—	10	—	—	—	—	10
<b>Total Intragovernmental Assets</b>	<b>\$ 2,302,716</b>	<b>\$ 172,977</b>	<b>\$ 237,060</b>	<b>\$ 111,504</b>	<b>\$ 370,439</b>	<b>\$ 251,564</b>	<b>\$ 7,035,432</b>	<b>\$ 4,639</b>	<b>\$ —</b>	<b>\$ 10,486,331</b>
<b>Other than Intragovernmental</b>										
Accounts Receivable, net	\$ 42	\$ 1,295	\$ 65	\$ 28	\$ 58,095	\$ —	\$ 854	\$ —	\$ —	\$ 60,379
Inventory and Related Property, net	95,062	23,952	—	—	—	—	—	—	—	119,014
General Property, Plant, and Equip.	1,099	2,814	18,948	166	5,202	—	—	—	—	28,229
Advances and Prepayments	1,000	234	—	—	—	—	42	—	—	1,276
Other Assets	2	—	—	—	—	—	—	—	—	2
<b>Total Other than Intragovernmental</b>	<b>\$ 97,205</b>	<b>\$ 28,295</b>	<b>\$ 19,013</b>	<b>\$ 194</b>	<b>\$ 63,297</b>	<b>\$ —</b>	<b>\$ 896</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 208,900</b>
<b>Total Assets</b>	<b>\$ 2,399,921</b>	<b>\$ 201,272</b>	<b>\$ 256,073</b>	<b>\$ 111,698</b>	<b>\$ 433,736</b>	<b>\$ 251,564</b>	<b>\$ 7,036,328</b>	<b>\$ 4,639</b>	<b>\$ —</b>	<b>\$ 10,695,231</b>
<b>LIABILITIES</b>										
<b>Intragovernmental</b>										
Accounts Payable	\$ 104,297	\$ 2,101	\$ 6,172	\$ 5,469	\$ 10,934	\$ —	\$ 34,965	\$ —	\$ —	\$ 163,938
Other Liabilities	929	3,565	5,301	1,700	2,562	12	—	—	—	14,069
<b>Total Intragovernmental Liabilities</b>	<b>\$ 105,226</b>	<b>\$ 5,666</b>	<b>\$ 11,473</b>	<b>\$ 7,169</b>	<b>\$ 13,496</b>	<b>\$ 12</b>	<b>\$ 34,965</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 178,007</b>
<b>Other than Intragovernmental</b>										
Accounts Payable	\$ 630,705	\$ 14,809	\$ 8,898	\$ 120	\$ (659)	\$ 868	\$ 2,413	\$ —	\$ —	\$ 657,154
Federal Employee Benefits Payable	4,541	7,036	22,748	—	11,676	42	—	—	—	46,043
Advances and deferred revenue	95,062	589	817,714	—	—	—	—	—	—	913,365
Other Liabilities	(6,105)	3,090	10,741	5,966	7,412	208,845	233,146	118	—	463,213
<b>Total Other than Intragovernmental</b>	<b>\$ 724,203</b>	<b>\$ 25,524</b>	<b>\$ 860,101</b>	<b>\$ 6,086</b>	<b>\$ 18,429</b>	<b>\$ 209,755</b>	<b>\$ 235,559</b>	<b>\$ 118</b>	<b>\$ —</b>	<b>\$ 2,079,775</b>
<b>Total Liabilities</b>	<b>\$ 829,429</b>	<b>\$ 31,190</b>	<b>\$ 871,574</b>	<b>\$ 13,255</b>	<b>\$ 31,925</b>	<b>\$ 209,767</b>	<b>\$ 270,524</b>	<b>\$ 118</b>	<b>\$ —</b>	<b>\$ 2,257,782</b>
<b>Net Position</b>										
Unexpended Appropriations	\$ —	\$ —	\$ —	\$ (1,444)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ (1,444)
Cumulative Results of Operations	1,570,492	170,082	(615,501)	99,887	401,811	41,797	6,765,804	4,521	—	8,438,893
<b>Total Net Position</b>	<b>\$ 1,570,492</b>	<b>\$ 170,082</b>	<b>\$ (615,501)</b>	<b>\$ 98,443</b>	<b>\$ 401,811</b>	<b>\$ 41,797</b>	<b>\$ 6,765,804</b>	<b>\$ 4,521</b>	<b>\$ —</b>	<b>\$ 8,437,449</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 2,399,921</b>	<b>\$ 201,272</b>	<b>\$ 256,073</b>	<b>\$ 111,698</b>	<b>\$ 433,736</b>	<b>\$ 251,564</b>	<b>\$ 7,036,328</b>	<b>\$ 4,639</b>	<b>\$ —</b>	<b>\$ 10,695,231</b>

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)**

For the fiscal year ended September 30, 2022

	Assets Forfeiture Fund (AFF)	Federal Prison Commissary Account (BOP)	Diversion Control Fee Account (DEA)	Antitrust Division (OBD)	U.S. Trustee System Fund (OBD)	United States VSST (OBD)	Crimes Victims Fund (OJP)	Domestic Trafficking Victims Fund (OJP)	Eliminations Between Dedicated Funds	Total Funds from Dedicated Collections (Consolidated)
Statement of Net Cost										
Gross Program Costs	\$ 1,399,275	\$ 374,692	\$ 531,738	\$ 192,464	\$ 262,890	\$ 36,085	\$2,510,090	\$ 770	\$ —	\$ 5,308,004
Less: Earned Revenues	15,732	388,596	493,711	191,420	180,233	—	—	—	—	1,269,692
Net Cost of Operations	<u>\$ 1,383,543</u>	<u>\$ (13,904)</u>	<u>\$ 38,027</u>	<u>\$ 1,044</u>	<u>\$ 82,657</u>	<u>\$ 36,085</u>	<u>\$2,510,090</u>	<u>\$ 770</u>	<u>\$ —</u>	<u>\$ 4,038,312</u>

	Assets Forfeiture Fund (AFF)	Federal Prison Commissary Account (BOP)	Diversion Control Fee Account (DEA)	Antitrust Division (OBD)	U.S. Trustee System Fund (OBD)	United States VSST (OBD)	Crimes Victims Fund (OJP)	Domestic Trafficking Victims Fund (OJP)	Eliminations Between Dedicated Funds	Total Funds from Dedicated Collections (Consolidated)
Statement of Changes in Net Position										
<b>Unexpended Appropriations</b>										
Beginning Balance	\$ —	\$ —	\$ —	\$ 2,877	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 2,877
Appropriations Received	—	—	—	1,356	—	—	—	—	—	1,356
Appropriations Used	—	—	—	(5,677)	—	—	—	—	—	(5,677)
Total Unexpended Appropriations	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ (1,444)</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ (1,444)</u>
<b>Cumulative Results of Operations</b>										
Beginning Balance	\$ 1,290,935	\$ 149,948	\$ (591,098)	\$ 95,316	\$ 488,869	\$ 40,157	\$9,038,742	\$ 3,738	\$ —	\$ 10,516,607
Changes in accounting principles	—	—	(2,607)	(62)	(5,831)	—	—	—	—	(8,500)
Beginning Balance, as adjusted	<u>1,290,935</u>	<u>149,948</u>	<u>(593,705)</u>	<u>95,254</u>	<u>483,038</u>	<u>40,157</u>	<u>9,038,742</u>	<u>3,738</u>	<u>—</u>	<u>10,508,107</u>
Appropriations Used	—	—	—	5,677	—	—	—	—	—	5,677
Other than Intragovernmental non-exchange revenue										
Misc. Receipts: Fines and Fees	—	—	—	—	—	—	822,152	1,553	—	823,705
Intragovernmental non-exchange revenue	40,254	—	—	—	963	1,496	—	—	—	42,713
Donations and forfeitures of cash and Property	1,749,488	—	—	—	—	36,229	—	—	—	1,785,717
Transfers in/out without reimbursement	(2,450)	—	—	—	(13,583)	—	(585,000)	—	—	(601,033)
Imputed Financing	2,808	6,230	16,231	—	14,058	—	—	—	—	39,327
Other	(127,000)	—	—	—	(8)	—	—	—	—	(127,008)
Net cost of operations	<u>(1,383,543)</u>	<u>13,904</u>	<u>(38,027)</u>	<u>(1,044)</u>	<u>(82,657)</u>	<u>(36,085)</u>	<u>(2,510,090)</u>	<u>(770)</u>	<u>—</u>	<u>(4,038,312)</u>
Net Change in Cumulative Results of Operations	279,557	20,134	(21,796)	4,633	(81,227)	1,640	(2,272,938)	783	—	(2,069,214)
Total Cumulative Results of Operations	<u>\$ 1,570,492</u>	<u>\$ 170,082</u>	<u>\$ (615,501)</u>	<u>\$ 99,887</u>	<u>\$ 401,811</u>	<u>\$ 41,797</u>	<u>\$6,765,804</u>	<u>\$ 4,521</u>	<u>\$ —</u>	<u>\$ 8,438,893</u>
<b>Net Position End of Period</b>	<u>\$ 1,570,492</u>	<u>\$ 170,082</u>	<u>\$ (615,501)</u>	<u>\$ 98,443</u>	<u>\$ 401,811</u>	<u>\$ 41,797</u>	<u>\$6,765,804</u>	<u>\$ 4,521</u>	<u>\$ —</u>	<u>\$ 8,437,449</u>

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, 2021	Assets Forfeiture Fund (AFF)	Federal Prison Commissary Account (BOP)	Diversion Control Fee Account (DEA)	Antitrust Division (OBD)	U.S. Trustee System Fund (OBD)	United States VSST (OBD)	Crimes Victims Fund (OJP)	Domestic Trafficking Victims Fund (OJP)	Eliminations Between Dedicated Funds	Total Funds from Dedicated Collections (Consolidated)
<b>Balance Sheet</b>										
<b>ASSETS</b>										
<b>Intragovernmental</b>										
Fund Balance with Treasury	\$ 928,529	\$ 137,199	\$ 168,094	\$ 111,860	\$ 198,145	\$ 50,256	\$9,386,578	\$ 3,770	\$ —	\$ 10,984,431
Investments, Net	1,338,959	—	—	—	235,750	167,686	—	—	—	1,742,395
Accounts Receivable	7,621	9,654	—	—	42	—	—	—	—	17,317
Advances and Prepayments	—	—	195	—	—	—	15,506	—	—	15,701
<b>Total Intragovernmental Assets</b>	<b>\$ 2,275,109</b>	<b>\$ 146,853</b>	<b>\$ 168,289</b>	<b>\$ 111,860</b>	<b>\$ 433,937</b>	<b>\$ 217,942</b>	<b>\$9,402,084</b>	<b>\$ 3,770</b>	<b>\$ —</b>	<b>\$ 12,759,844</b>
<b>Other than Intragovernmental</b>										
Accounts Receivable, net	\$ 42	\$ 729	\$ 146	\$ 32	\$ 69,733	\$ —	\$ 785	\$ —	\$ —	\$ 71,467
Inventory and Related Property, net	82,601	19,911	—	—	—	—	—	—	—	102,512
General Property, Plant, and Equip.	1,224	3,348	17,675	62	18,418	—	—	—	—	40,727
Advances and Prepayments	—	20	—	—	—	—	2,122	—	—	2,142
Other Assets	1	—	—	—	—	—	—	—	—	1
<b>Total Other than Intragovernmental</b>	<b>\$ 83,868</b>	<b>\$ 24,008</b>	<b>\$ 17,821</b>	<b>\$ 94</b>	<b>\$ 88,151</b>	<b>\$ —</b>	<b>\$ 2,907</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 216,849</b>
<b>Total Assets</b>	<b>\$ 2,358,977</b>	<b>\$ 170,861</b>	<b>\$ 186,110</b>	<b>\$ 111,954</b>	<b>\$ 522,088</b>	<b>\$ 217,942</b>	<b>\$9,404,991</b>	<b>\$ 3,770</b>	<b>\$ —</b>	<b>\$ 12,976,693</b>
<b>LIABILITIES</b>										
<b>Intragovernmental</b>										
Accounts Payable	\$ 101,850	\$ 352	\$ 2,188	\$ 6,998	\$ 10,647	\$ 129	\$ 42,432	\$ —	\$ —	\$ 164,596
Other Liabilities	804	3,181	4,740	1,278	2,355	10	—	—	—	12,368
<b>Total Intragovernmental Liabilities</b>	<b>\$ 102,654</b>	<b>\$ 3,533</b>	<b>\$ 6,928</b>	<b>\$ 8,276</b>	<b>\$ 13,002</b>	<b>\$ 139</b>	<b>\$ 42,432</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 176,964</b>
<b>Other than Intragovernmental</b>										
Accounts Payable	\$ 885,161	\$ 7,124	\$ 13,785	\$ 842	\$ 816	\$ 160	\$ 8,421	\$ —	\$ —	\$ 916,309
Federal Employee Benefits Payable	4,522	7,118	9,515	—	12,374	44	—	—	—	33,573
Advances and deferred revenue	82,601	589	736,897	—	—	—	—	—	—	820,087
Other Liabilities	(6,896)	2,549	10,083	4,643	7,027	177,442	315,396	32	—	510,276
<b>Total Other than Intragovernmental</b>	<b>\$ 965,388</b>	<b>\$ 17,380</b>	<b>\$ 770,280</b>	<b>\$ 5,485</b>	<b>\$ 20,217</b>	<b>\$ 177,646</b>	<b>\$ 323,817</b>	<b>\$ 32</b>	<b>\$ —</b>	<b>\$ 2,280,245</b>
<b>Total Liabilities</b>	<b>\$ 1,068,042</b>	<b>\$ 20,913</b>	<b>\$ 777,208</b>	<b>\$ 13,761</b>	<b>\$ 33,219</b>	<b>\$ 177,785</b>	<b>\$ 366,249</b>	<b>\$ 32</b>	<b>\$ —</b>	<b>\$ 2,457,209</b>
<b>Net Position</b>										
Unexpended Appropriations	\$ —	\$ —	\$ —	\$ 2,877	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 2,877
Cumulative Results of Operations	1,290,935	149,948	(591,098)	95,316	488,869	40,157	9,038,742	3,738	—	10,516,607
<b>Total Net Position</b>	<b>\$ 1,290,935</b>	<b>\$ 149,948</b>	<b>\$ (591,098)</b>	<b>\$ 98,193</b>	<b>\$ 488,869</b>	<b>\$ 40,157</b>	<b>\$9,038,742</b>	<b>\$ 3,738</b>	<b>\$ —</b>	<b>\$ 10,519,484</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 2,358,977</b>	<b>\$ 170,861</b>	<b>\$ 186,110</b>	<b>\$ 111,954</b>	<b>\$ 522,088</b>	<b>\$ 217,942</b>	<b>\$9,404,991</b>	<b>\$ 3,770</b>	<b>\$ —</b>	<b>\$ 12,976,693</b>

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)**

For the fiscal year ended September 30, 2021

	Assets Forfeiture Fund (AFF)	Federal Prison Commissary Account (BOP)	Diversion Control Fee Account (DEA)	Antitrust Division (OBD)	U.S. Trustee System Fund (OBD)	United States VSST (OBD)	Crimes Victims Fund (OJP)	Domestic Trafficking Victims Fund (OJP)	Eliminations Between Dedicated Funds	Total Funds from Dedicated Collections (Consolidated)
<b>Statement of Net Cost</b>										
Gross Cost of Operations	\$ 1,598,734	\$ 346,042	\$ 531,814	\$ 162,988	\$ 249,764	\$ 34,221	\$2,700,443	\$ 496	\$ —	\$ 5,624,502
Less: Earned Revenues	5,289	411,839	446,635	236,648	307,933	—	—	—	—	1,408,344
Net Cost of Operations	\$ 1,593,445	\$ (65,797)	\$ 85,179	\$ (73,660)	\$ (58,169)	\$ 34,221	\$2,700,443	\$ 496	\$ —	\$ 4,216,158
<b>Statement of Changes in Net Position</b>										
<b>Unexpended Appropriations</b>										
Beginning Balance	\$ —	\$ —	\$ —	\$ 2,877	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 2,877
Total Unexpended Appropriations	\$ —	\$ —	\$ —	\$ 2,877	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 2,877
<b>Cumulative Results of Operations</b>										
Beginning Balance	\$ 1,458,470	\$ 77,614	\$ (520,681)	\$ 21,656	\$ 416,794	\$ 31,273	\$11,409,855	\$ 2,926	\$ —	\$ 12,897,907
Other than Intragovernmental non-exchange revenue										
Misc. Receipts: Fines and Fees	—	—	—	—	389	—	774,330	1,308	—	776,027
Intragovernmental non-exchange revenue	5,811	—	—	—	—	65	—	—	—	5,876
Donations and forfeitures of cash and Property	1,420,815	—	—	—	—	43,040	—	—	—	1,463,855
Transfers in/out without reimbursement	(3,410)	131	—	—	—	—	(445,000)	—	—	(448,279)
Imputed Financing	2,694	6,406	14,762	—	13,513	—	—	—	—	37,375
Other	—	—	—	—	4	—	—	—	—	4
Net cost of operations	(1,593,445)	65,797	(85,179)	73,660	58,169	(34,221)	(2,700,443)	(496)	—	(4,216,158)
Net Change in Cumulative Results of Operations	(167,535)	72,334	(70,417)	73,660	72,075	8,884	(2,371,113)	812	—	(2,381,300)
Cumulative Results of Operations	\$ 1,290,935	\$ 149,948	\$ (591,098)	\$ 95,316	\$ 488,869	\$ 40,157	\$9,038,742	\$ 3,738	\$ —	\$ 10,516,607
<b>Net Position End of Period</b>	<u>\$ 1,290,935</u>	<u>\$ 149,948</u>	<u>\$ (591,098)</u>	<u>\$ 98,193</u>	<u>\$ 488,869</u>	<u>\$ 40,157</u>	<u>\$9,038,742</u>	<u>\$ 3,738</u>	<u>\$ —</u>	<u>\$ 10,519,484</u>

These notes are an integral part of the financial statements.

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

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**Note 17. Funds from Dedicated Collections (continued)**

The Comprehensive Crime Control Act of 1984 (Public Law 98-473) 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, victim payments, equitable sharing 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 USVSST Act provides for the establishment and administration of the USVSSTF to provide compensation to certain U.S. persons who were injured in acts of international state sponsored terrorism. The USVSSTF may compensate eligible United States persons who (1) hold a final judgment issued by a United States district court awarding the applicant compensatory damages arising from acts of international terrorism for which a foreign state sponsor of terrorism was found not immune from the jurisdiction of the courts of the United States under the Foreign Sovereign Immunities Act; (2) were taken and held hostage from the United States Embassy in Tehran, Iran, during the period beginning November 4, 1979, and ending January 20, 1981, or are spouses and children of these hostages, if identified as a member of the proposed class in case number 1:00-CV-03110 (EGS) of the United States District Court for the District of Columbia; or (3) are the personal representative of a deceased individual in either of those two categories. Prior to FY 2019, the USVSSTF had multiple funding sources and the Department had the discretion to report the USVSSTF program as either Funds from Dedicated Collections or Funds from other than Dedicated Collections. In FYs 2022 and 2021, the program has been funded solely by revenue collected from Non-federal sources.

Therefore, in accordance with SFFAS No. 43, which states, “Funds that are financed by specifically identified revenues, provided to the government by non-federal sources, which remain available over time, are considered funds from dedicated collections”, the Department reported the USVSSTF activity as Funds from Dedicated Collections.

**Note 17. Funds from Dedicated Collections (continued)**

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, provide training for diverse professionals who work with victims, develop projects to enhance victims' rights and services, and undertake public education and awareness activities on behalf of crime victims.

The Domestic Trafficking Victims Fund is funded through an annual transfer of funds from the HHS and collections from assessments of \$5 imposed on individuals or entities convicted of sexual abuse or exploitation, human smuggling, or human trafficking. The Fund will award grants to states and localities to combat trafficking, provide protection and assistance for victims, develop and implement child abuse prevention programs, and provide services to victims of child pornography.

The Diversion Control Fee Account is established in the Treasury General Fund 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.

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

**Note 18. Suborganization Program Costs**

For the fiscal year ended September 30, 2022

Dollars in Thousands	AFF/SADF	ATF	BOP	DEA	FBI	FPI	OBDs	OJP	USMS	Eliminations	Consolidated
<b>Major Program 1: Law Enforcement</b>											
Gross Cost	\$ 1,399,275	\$ 1,579,803	\$ —	\$ 3,066,877	\$ 12,018,304	\$ —	\$ 550,991	\$ —	\$ 2,194,114	\$ (771,623)	\$ 20,037,741
Less: Earned Revenues	15,732	50,142	—	515,899	1,034,941	—	884	—	56,694	(771,623)	902,669
Net Cost of Operations	\$ 1,383,543	\$ 1,529,661	\$ —	\$ 2,550,978	\$ 10,983,363	\$ —	\$ 550,107	\$ —	\$ 2,137,420	\$ —	\$ 19,135,072
<b>Major Program 2: Litigation and Compensation</b>											
Gross Cost	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 6,573,989	\$ —	\$ —	\$ (40,740)	\$ 6,533,249
Less: Earned Revenues	—	—	—	—	—	—	413,302	—	—	(40,740)	372,562
Net Cost of Operations	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 6,160,687	\$ —	\$ —	\$ —	\$ 6,160,687
<b>Major Program 3: Prison and Detention</b>											
Gross Cost	\$ —	\$ —	\$ 8,643,621	\$ —	\$ —	\$ 685,770	\$ 11,426	\$ —	\$ 2,218,984	\$ (338,194)	\$ 11,221,607
Less: Earned Revenues	—	—	338,889	—	—	656,613	—	—	380	(322,396)	673,486
Net Cost of Operations	\$ —	\$ —	\$ 8,304,732	\$ —	\$ —	\$ 29,157	\$ 11,426	\$ —	\$ 2,218,604	\$ (15,798)	\$ 10,548,121
<b>Major Program 4: Grants</b>											
Gross Cost	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 686,812	\$ 4,745,812	\$ —	\$ (13,794)	\$ 5,418,830
Less: Earned Revenues	—	—	—	—	—	—	5,429	22,463	—	(13,794)	14,098
Net Cost of Operations	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 681,383	\$ 4,723,349	\$ —	\$ —	\$ 5,404,732
<b>Major Program 5: Executive Oversight and Enterprise Technology</b>											
Gross Cost	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 2,196,226	\$ —	\$ —	\$ (27,887)	\$ 2,168,339
Less: Earned Revenues	—	—	—	—	—	—	1,002,188	—	—	(27,887)	974,301
Net Cost of Operations	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 1,194,038	\$ —	\$ —	\$ —	\$ 1,194,038
<b>Net Cost of Operations</b>	<b>\$ 1,383,543</b>	<b>\$ 1,529,661</b>	<b>\$ 8,304,732</b>	<b>\$ 2,550,978</b>	<b>\$ 10,983,363</b>	<b>\$ 29,157</b>	<b>\$ 8,597,641</b>	<b>\$ 4,723,349</b>	<b>\$ 4,356,024</b>	<b>\$ (15,798)</b>	<b>\$ 42,442,650</b>

These notes are an integral part of the financial statements.

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

**Note 18. Suborganization Program Costs (continued)**

For the fiscal year ended September 30, 2021

Dollars in Thousands	AFF/SADF	ATF	BOP	DEA	FBI	FPI	OBDs	OJP	USMS	Eliminations	Consolidated
<b>Major Program 1: Law Enforcement</b>											
Gross Cost	\$ 1,598,734	\$ 1,544,974	\$ —	\$ 3,043,003	\$ 11,440,423	\$ —	\$ 529,211	\$ —	\$ 2,117,541	\$ (828,684)	\$ 19,445,202
Less: Earned Revenues	5,289	59,943	—	477,665	949,014	—	23	—	59,133	(828,684)	722,383
Net Cost of Operations	\$ 1,593,445	\$ 1,485,031	\$ —	\$ 2,565,338	\$ 10,491,409	\$ —	\$ 529,188	\$ —	\$ 2,058,408	\$ —	\$ 18,722,819
<b>Major Program 2: Litigation and Compensation</b>											
Gross Cost	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 6,627,858	\$ —	\$ —	\$ (40,973)	\$ 6,586,885
Less: Earned Revenues	—	—	—	—	—	—	440,433	—	—	(40,973)	399,460
Net Cost of Operations	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 6,187,425	\$ —	\$ —	\$ —	\$ 6,187,425
<b>Major Program 3: Prison and Detention</b>											
Gross Cost	\$ —	\$ —	\$ 8,521,928	\$ —	\$ —	\$ 660,765	\$ 11,101	\$ —	\$ 2,187,721	\$ (333,743)	\$ 11,047,772
Less: Earned Revenues	—	—	323,039	—	—	642,475	—	—	164	(317,189)	648,489
Net Cost of Operations	\$ —	\$ —	\$ 8,198,889	\$ —	\$ —	\$ 18,290	\$ 11,101	\$ —	\$ 2,187,557	\$ (16,554)	\$ 10,399,283
<b>Major Program 4: Grants</b>											
Gross Cost	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 631,051	\$ 4,686,021	\$ —	\$ (16,187)	\$ 5,300,885
Less: Earned Revenue	—	—	—	—	—	—	(609)	37,075	—	(16,187)	20,279
Net Cost of Operations	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 631,660	\$ 4,648,946	\$ —	\$ —	\$ 5,280,606
<b>Major Program 5: Executive Oversight and Enterprise Technology</b>											
Gross Cost	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 2,131,262	\$ —	\$ —	\$ (47,809)	\$ 2,083,453
Less: Earned Revenues	—	—	—	—	—	—	1,211,308	—	—	(47,809)	1,163,499
Net Cost of Operations	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 919,954	\$ —	\$ —	\$ —	\$ 919,954
<b>Net Cost of Operations</b>	<b>\$ 1,593,445</b>	<b>\$ 1,485,031</b>	<b>\$ 8,198,889</b>	<b>\$ 2,565,338</b>	<b>\$ 10,491,409</b>	<b>\$ 18,290</b>	<b>\$ 8,279,328</b>	<b>\$ 4,648,946</b>	<b>\$ 4,245,965</b>	<b>\$ (16,554)</b>	<b>\$ 41,510,087</b>

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**

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. 4, *Managerial Cost Accounting Standards and Concepts*, FASAB Interpretation No. 6, *Accounting for Imputed Intra-Departmental Costs: An Interpretation of SFFAS No. 4* and SFFAS No. 55, *Amending Inter-Entity Cost Provisions*, the material imputed inter-departmental financing sources currently recognized by the Department include business-type activities, 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 unreimbursed payments made from the Treasury Judgment Fund on behalf of the Department.

Business-type activities are significantly self-sustaining activities that finance their accounting cycle of operations through collections of exchange revenues. 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. The cost factors are as follows:

	Category	Cost Factor (%)
Civil Service Retirement System (CSRS)	Regular Employees	46.2%
	Regular Employees Offset	34.4%
	Law Enforcement Officers	75.2%
	Law Enforcement Officers Offset	63.9%
Federal Employees Retirement System (FERS)	Regular Employees	19.7%
	Regular Employees - Revised Annuity Employees (RAE)	20.2%
	Regular Employees - Further Revised Annuity Employees (FRAE)	20.4%
	Law Enforcement Officers	40.8%
	Law Enforcement Officers - RAE	41.4%
	Law Enforcement Officers - FRAE	41.5%

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.

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

**Note 19. Imputed Financing (continued)**

For the fiscal year ended September 30, 2022 and 2021

	2022	2021
Imputed Inter-Departmental Financing		
U.S. Treasury Judgement Fund	\$ 245,552	\$ 41,278
Health Insurance	883,103	854,355
Life Insurance	2,438	2,383
Pension	143,151	82,769
Total Imputed Inter-Departmental	<u>\$ 1,274,244</u>	<u>\$ 980,785</u>

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's imputed costs relates to OPM employee benefits and 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. For the fiscal years ended September 30, 2022 and 2021, the FPI imputed costs were \$15,798 and \$16,554, respectively.

**Note 20. Information Related to the Statement of Budgetary Resources**

**Net Adjustments to Unobligated Balance, Brought Forward, October 1:**

Net adjustments to the Unobligated Balance, Brought Forward, October 1 primarily includes activity relating to Downward Adjustments of Prior-Year Undelivered and Delivered Orders, Transfers of Prior-Year Balances, and other changes in obligated balances. There were no material corrections of errors relating to the Net Adjustments to Unobligated Balance, Brought Forward, October 1.

As of September 30, 2022 and 2021

	2022	2021
Unobligated balance brought forward from prior year	\$ 10,439,918	\$ 8,096,906
<b>Adjustments to Budgetary Resources made during current year</b>		
Downward Adjustments of prior year undelivered orders	1,279,190	1,017,904
Downward adjustments of prior year delivered orders	154,203	116,839
Other Adjustments	18,126	(18,896)
Total Adjustments	<u>\$ 1,451,519</u>	<u>\$ 1,115,847</u>
Unobligated balance brought forward from prior year budget authority, net (discretionary and mandatory)	<u>\$ 11,891,437</u>	<u>\$ 9,212,753</u>

**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) represents 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, 2022 and 2021

	2022	2021
Intragovernmental		
UDO Obligations Unpaid	\$ 1,844,738	\$ 1,772,016
UDO Obligations Prepaid/Advanced	285,605	258,395
Total Intragovernmental	<u>2,130,343</u>	<u>2,030,411</u>
Other than Intragovernmental		
UDO Obligations Unpaid	17,804,554	15,692,421
UDO Obligations Prepaid/Advanced	506,999	574,539
Total Other than Intragovernmental	<u>18,311,553</u>	<u>16,266,960</u>
Total UDO	<u>\$ 20,441,896</u>	<u>\$ 18,297,371</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", Public Law 101-426), 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 DOJ 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, the RECA Amendments of 2000 ("the 2000 Amendments", Public Law 106-245) were passed. On November 2, 2002, the President signed the "21st Century Department of Justice Appropriation Authorization Act" (Public Law 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' RECA program beginning FY 2006. The RECA Extension Act of 2022, PL 117-139, extends the RECA Trust Fund and the filing deadline for new claims for two years from its date of enactment (June 7, 2022).



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

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**Note 20. Information Related to the Statement of Budgetary Resources (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 Trust Fund is a self-sustaining trust revolving fund account that is funded through sales of goods and services, rather than annual or no-year appropriations.
- The Public Safety Officers' Benefits Act of 1976 (the "PSOB Act", 42 United States Code §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 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 (Public Law 108-182), 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.
- 28 U.S.C. § 599 reauthorizes the Independent Counsel Reauthorization Act of 2016 for a five-year period. The Act also amends the time period in which individuals who held certain positions are subject to preliminary investigations by the DOJ from 1 year to 8 years after leaving office. The preliminary investigation is conducted to determine if the appointment of an independent counsel for further investigation and possible prosecution is necessary.
  - On July 29, 2019, the President signed into law the "Never Forget the Heroes: James Zadroga, Ray Pfeifer, and Luis Alvarez Permanent Authorization of the September 11<sup>th</sup> Victim Compensation Fund Act ("VCF Permanent Authorization Act", Public Law 116-34). The VCF Permanent Authorization Act extends the VCF's claim filing deadline to October 1, 2090 and appropriates such funds as may be necessary to pay all approved claims in each fiscal year from fiscal year 2019 through fiscal year 2092.

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

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

**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 or apportioned under Category C. The use of unobligated balances is restricted based on annual legislation requirements and other enabling authorities. Funds are appropriated on an annual, multi-year, no-year, and subsequent 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.

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

The reconciliation as of September 30, 2021 is presented below. The reconciliation as of September 30, 2022 is not presented because the submission of the Budget of the United States (Budget) for FY 2024, which presents the execution of the FY 2022 Budget, occurs after publication of these financial statements. The DOJ Budget Appendix can be found on the OMB website President’s Budget | The White House and will be published at a later date in 2023.

For the Fiscal Year Ended September 30, 2021

(Dollars in Millions)

	Total Budgetary Resources	New Obligations and Upward Adjustments	Distributed Offsetting Receipts	Agency Outlays, Net
Statement of Budgetary Resources (SBR)	\$ 55,331	\$ 44,891	\$ 1,039	\$ 40,149
Funds not Reported in the Budget				
Expired Funds: ATF, BOP, DEA, FBI, OBDs, OJP, & USMS	(1,174)	(224)	—	—
USMS Court Security Funds	(641)	(580)	—	(543)
Distributed Offsetting Receipts	—	—	(9)	49
Redistribution of Clearing Accounts and Misc Receipts				
Special and Trust Fund Receipts	—	—	—	988
Other	(52)	(6)	(1)	1
Budget of the United States Government	<u>\$ 53,464</u>	<u>\$ 44,081</u>	<u>\$ 1,029</u>	<u>\$ 40,644</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.

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

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**Note 21. Custodial Revenues**

The Department collects for Federal debts, fines, penalties and restitution; fees and licenses, and other non-exchange miscellaneous collections. Accrual adjustments may be necessary to adjust cash collections and refund disbursements. For example, collections are refunded to the applicants who withdraw from the process or are rejected by the Licensing Center. If payments are not processed before the quarter end, an accrual is established. These activities are recognized as non-exchange custodial revenue and reported on the Statement of Custodial Activity (SCA). The Department is aware of settlements and judgements where the respective Court has not formally accepted the settlement, or the judgments are pending on appeal. The Department is also aware of formally accepted court settlements that do not meet the standards for collectability based on management's determination. The sources of custodial revenue as presented on the SCA are described below.

OBDs' Office of Debt Collection Management (DCM) is the primary source of collections for the Department, and civil litigated matters (e.g., student loan defaults, financial 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 may accept wire transfers or other payments on a criminal debt, in rare cases, if a Clerk of the U.S. Court is unable to do so. In addition, other custodial collections on behalf of the General Fund of the U.S. Government occur for interest, fines, and penalties.

DEA collects fees for the Diversion Control Program and civil monetary penalties related to violations of the Controlled Substances Act that are incidental to DEA's mission.

ATF collects fees from firearms and explosives industries, as well as import, permit and license fees as an agent of the federal government and as authorized by 26 U.S.C. § 6301, Special Occupational Taxes are collected from certain firearms businesses. Miscellaneous collections include project-generated proceeds.

FBI collects restitution payments, seized abandoned cash, and project-generated proceeds. These collections were incidental to the FBI's mission.

BOP collects fines and penalties, confiscated funds, found money on institution grounds, and inmate's funds whose whereabouts are unknown. These collections were incidental to the BOP's mission.

USMS custodial revenue comprises miscellaneous collections that have to be transferred to Treasury by regulation at fiscal year-end. The items that generally make up these miscellaneous collections are jury duty fees, insurance settlements, restitution payments and in some instances, collections linked to cancelled year appropriations.

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

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**Note 21. Custodial Revenues (continued)**

For the above-related activities, funds for which the Department has no authority to use are transmitted to the Treasury General Fund at the end of the fiscal year. As of September 30, 2022 and 2021, the Department reported total custodial revenue on the SCA in the amounts of \$6,586,732 and \$7,940,784, respectively. The custodial revenue represented \$4,504,829 and \$7,939,031 in custodial collections and \$2,081,903 and \$1,753 in accrual adjustments. The custodial collections that have yet to be disbursed are included in the assets and liabilities sections on the balance sheet. As of September 30, 2022 and 2021, the assets and liabilities related to custodial activities were \$2,677,864 and \$869,640, respectively. As of September 30, 2022 and 2021, the total funds returned to the Treasury General Fund were \$(306,674) and \$(2,737,626), respectively.

The table below shows collection activity by revenue type.

For the fiscal year ended September 30, 2022 and 2021

<b>Custodial Non-Exchange Revenues</b>	2022 Collections	2021 Collections
Excise Taxes	\$ 106,040	\$ 93,878
Fines, Penalties, Interest and Other Revenue	4,398,789	7,845,153
Less: Amount Collected for Non-Federal Agencies	277,574	256,130
Total Amount of Federal Revenue Collected	\$ 4,227,255	\$ 7,682,901
 <b>Refunds/Payments</b>		
Excise Taxes	\$ 6,463	\$ 3,809
Total Amount of Refunds	\$ 6,463	\$ 3,809

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

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**Note 22. Reconciliation of Net Cost to Net Outlays**

Budgetary and financial accounting information differ. Budgetary accounting is used for planning and control purposes and relates to both the receipt and use of cash, as well as reporting the federal deficit. Financial accounting is intended to provide a picture of the government's financial operations and financial position, so it presents information on an accrual basis. The accrual basis includes information about costs arising from the consumption of assets and the incurring of liabilities. The reconciliation of net outlays, presented on a budgetary basis, and the net cost, presented on an accrual basis, provides an explanation of the relationship between budgetary and financial accounting information. The reconciliation serves not only to identify costs paid for in the past and those that will be paid in the future, but also to assure integrity between budgetary and financial accounting.

The reconciliation explains the relationship between the net cost of operations and net outlays by presenting (1) components of net cost that are not part of net outlays (e.g. depreciation and amortization expenses of assets previously capitalized, change in assets/liabilities); and (2) components of net outlays that are not part of net cost (e.g. acquisition of capital assets); and (3) other temporary timing difference (e.g. prior period adjustments due to correction of error). The analysis below illustrates this reconciliation by listing the key differences between net cost and net outlays.

Other components of net operating cost not part of the budgetary outlays includes primarily cost capitalization offset, advances and prepayments, contingent liabilities, and other liabilities with/without related budgetary obligations.

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

**Note 22. Reconciliation of Net Cost to Net Outlays (continued)**

For the fiscal year ended September 30, 2022

	Intra- governmental	Other than Intra- governmental	Total
<b>NET COST</b>	\$ 9,153,685	\$ 33,288,965	\$ 42,442,650
<b>Components of Net Cost That Are Not Part of the Budgetary Outlays:</b>			
Property, plant, and equipment depreciation	\$ —	\$ (826,724)	\$ (826,724)
Property, plant, and equipment disposal and revaluation	—	(33,396)	(33,396)
Costs of goods sold	—	(213,615)	(213,615)
Inventory disposals and revaluation	—	—	—
Applied overhead /costs capitalization offset	—	15,316	15,316
Other	—	(32,294)	(32,294)
<b>Increase/(decrease) in assets</b>			
Accounts Receivable, net	66,112	5,268	71,380
Securities and investments	93	—	93
Other Assets	12,744	(86,610)	(73,866)
<b>(Increase)/decrease in liabilities</b>			
Accounts Payable	(130,781)	(11,167)	(141,948)
Environmental and disposal liabilities	—	(3,776)	(3,776)
Federal employees and benefits payable	—	144,591	144,591
Other Liabilities	(26,680)	(607,073)	(633,753)
<b>Financing Sources</b>			
Imputed Costs	(1,274,244)	—	(1,274,244)
<b>Total Components of Net Costs That Are Not Part of the Budgetary Outlays:</b>	<b>\$ (1,352,756)</b>	<b>\$ (1,649,480)</b>	<b>\$ (3,002,236)</b>
<b>Component of Budgetary Outlays That Are Not Part of Net Operating Costs:</b>			
Acquisition of capital assets	\$ 35,617	\$ 638,223	\$ 673,840
Acquisition of inventory	22	216,008	216,030
Acquisition of other assets	8	89,761	89,769
<b>Financing Sources</b>			
Donated Revenue	—	(275)	(275)
Transfers out (in) without reimbursements	(284,864)	—	(284,864)
<b>Total Component of Budget Outlays That Are Not Part of Net Operating Costs</b>	<b>\$ (249,217)</b>	<b>\$ 943,717</b>	<b>\$ 694,500</b>
<b>Misc Items</b>			
Distributed Offsetting Receipts	\$ (95,541)	\$ 557,727	\$ 462,186
Custodial/Non-exchange revenue	—	11,845	11,845
Non-Entity Activity	(1)	—	(1)
Other temporary timing differences	(196)	(575,044)	(575,240)
<b>Total Other Reconciling items</b>	<b>\$ (95,738)</b>	<b>\$ (5,472)</b>	<b>\$ (101,210)</b>
<b>Total Net Outlays</b>	<b>\$ 7,455,974</b>	<b>\$ 32,577,730</b>	<b>\$ 40,033,704</b>
<b>Budgetary Agency Outlays, net (SBR 4210)</b>			<b>\$ 40,033,704</b>
Budgetary Agency Outlays, Net			<u>\$ 40,033,704</u>

These notes are an integral part of the financial statements.

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

**Note 22. Reconciliation of Net Cost to Net Outlays (continued)**

For the fiscal year ended September 30, 2021

	Intra- governmental	Other than Intra- governmental	Total
<b>NET COST</b>	\$ 8,546,998	\$ 32,963,089	\$ 41,510,087
<b>Components of Net Cost That Are Not Part of the Budgetary Outlays:</b>			
Property, Plant, and equipment depreciation	\$ —	\$ (924,730)	\$ (924,730)
Property, plant, and equipment disposal and revaluation	—	(44,741)	(44,741)
Cost of goods sold	—	(200,904)	(200,904)
Inventory disposals and revaluations	—	(3,640)	(3,640)
Applied overhead/costs capitalization offset	—	132,974	132,974
Other	—	(162,689)	(162,689)
<b>Increase/(decrease) in assets</b>			
Accounts Receivable, net	(152,162)	(56,807)	(208,969)
Securities and investments	(1,117)	—	(1,117)
Other Assets	48,237	(114,768)	(66,531)
<b>(Increase)/decrease in liabilities</b>			
Accounts Payable	107,540	980,354	1,087,894
Environmental and disposal liabilities	—	(2,663)	(2,663)
Federal employees and benefits payable	—	(32,280)	(32,280)
Other Liabilities	32,766	(591,471)	(558,705)
<b>Financing sources</b>			
Imputed Costs	(980,785)	—	(980,785)
<b>Total Components of Net Costs That Are Not Part of the Budgetary Outlays:</b>	<b>\$ (945,521)</b>	<b>\$ (1,021,365)</b>	<b>\$ (1,966,886)</b>
<b>Component of Budgetary Outlays That Are Not Part of Net Operating Cost:</b>			
Acquisition of capital assets	\$ 136,167	\$ 658,783	\$ 794,950
Acquisition of inventory	—	91,651	91,651
Acquisition of other assets	—	85,518	85,518
<b>Financing sources</b>			
Donated revenue	—	(5)	(5)
Transfers out (in) without reimbursements	(235,457)	—	(235,457)
<b>Total Component of Budgetary Outlays That Are Not Part of Net Operating Cost</b>	<b>\$ (99,290)</b>	<b>\$ 835,947</b>	<b>\$ 736,657</b>
<b>Misc Items</b>			
Distributed offsetting receipts	\$ (110,040)	\$ 538,507	\$ 428,467
Custodial/Non-exchange revenue	(30)	1,097	1,067
Other temporary timing differences	(1,140)	(559,253)	(560,393)
<b>Total Other Reconciling items</b>	<b>\$ (111,210)</b>	<b>\$ (19,649)</b>	<b>\$ (130,859)</b>
<b>Total Net Outlays</b>	<b>\$ 7,390,977</b>	<b>\$ 32,758,022</b>	<b>\$ 40,148,999</b>
<b>Budgetary Agency Outlays, net (SBR 4210)</b>			<b>\$ 40,148,999</b>
Budgetary Agency Outlays, Net			\$ 40,148,999

These notes are an integral part of the financial statements.

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

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**Note 23. Public-Private Partnerships**

In accordance with SFFAS No. 49, *Public-Private Partnerships: Disclosure Requirements*, the BOP maintains public-private partnerships with energy service companies through energy savings performance contracts (ESPC). An ESPC allows federal agencies to procure energy savings and facility improvements with no up-front capital costs or special appropriations from Congress. An ESPC is a partnership between an agency and an energy service company (ESCO), with authority provided by 42 U.S.C. § 8287(b)(1)(A); 10 C.F.R. § 436.30(a).

The average length of an ESPC is 17 years but may not exceed 25 years. Term length depends on the scope of work performed by the ESCO and the nature of energy upgrades required by the institution. Annual payments made to the ESCO are tied to the energy savings guaranteed for the project and validated by the ESCO through the annual measurement and verification activity plan. Unless otherwise stipulated in the payment schedules or amended by a procurement action, payments are applied to principal, interest expense, and operational expense. By contrast, Note 15, "Other Liabilities" includes only liabilities related to principal payments.

As with all property acquisitions, the BOP assumes the inherent risk of maintaining the asset through its expected useful life. There may be additional risks of costs associated with asset ownership or control should those assets require maintenance beyond traditional wear and tear and outside the contractual scope of work. Likewise, private partners may assume added risk given the length of the contracts and may incur substantial financing liabilities in the delivery of performance measures. In addition, the BOP may elect to terminate individual contracts with a lump sum payment predetermined within the contract and as approved by the ESCO.

The schedule of actual and estimated payments is presented in the following table.

As of September 30, 2022 and 2021

	FY 2022	
	Actual Amount Paid	Estimated Amount to be paid
ESPCs	\$ 21,720	\$ 657,745
Estimated Total	<u>\$ 21,720</u>	<u>\$ 657,745</u>

	FY 2021	
	Actual Amount Paid	Estimated Amount to be paid
ESPCs	\$ 38,062	\$ 682,735
Estimated Total	<u>\$ 38,062</u>	<u>\$ 682,735</u>



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

**Note 24. COVID-19 Activity**

In FY 2021, the Department received \$604 million in funding from the Consolidated Appropriations Act, 2021 and the Coronavirus Preparedness and Response Supplemental Appropriations Act of 2020, to prevent, prepare for, or respond to COVID-19. Specifically, in FY 2021, the BOP received \$300 million for personal protective equipment (PPE), cleaning supplies, paper products, outside medical expenses, box meals, Residential Reentry Center expenses (Home Confinement for at-risk inmates), cost of providing free phone calls to inmates during COVID-19 pandemic, overtime expenses for sites on modified operation, funeral arrangements (due to COVID) and hiring of additional Epidemiologist. The USMS' Federal Prisoner Detention received \$125 million to prevent, prepare for, and respond to coronavirus, domestically or internationally, including for necessary expenses related to United States prisoners in the custody of the USMS. The FBI received \$179 million to use in support of the necessary improvements to the National Instant Criminal Background Check System.

Summarized financial information about the Department's COVID-19 budgetary resources, obligations incurred, and the remaining fund balance is presented below:

As of September 30, 2022 and 2021

	2022	2021
<b>Budgetary Activities</b>		
Unobligated Balance Carried Forward	\$ 140,099	\$ 6,547
Adjustments to Budgetary Resources made during the year		
Downward Adjustments of prior year undelivered orders	16,199	1,087
Downward Adjustments of prior year delivered orders	4	38
Other Adjustments	4,409	(1,080)
Unobligated balance from Prior Year budget authority, net	\$ 160,711	\$ 6,592
Supplemental/Annual Appropriated Funds Received	—	604,000
Other COVID-19 Budgetary Resources	(8,652)	3,148
Total Budgetary Resources	(8,652)	607,148
Less: Obligations Incurred	142,869	473,641
Unobligated Balance - End of Year	\$ 9,190	\$ 140,099

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

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**Note 25. Reclassification of the Statement of Net Cost for FR Compilation Process**

To prepare the Financial Report of the U.S. Government (FR), the Department of the Treasury requires agencies to submit an adjusted trial balance, which is a listing of amounts by USSGL account that appear in the financial statements. Treasury uses the trial balance information reported in the Government-Wide Treasury Account Symbol Adjusted Trial Balance System (GTAS) to develop a Reclassified Statement of Net Cost for each agency, which are accessed using GTAS. Treasury eliminates all intragovernmental balances from the reclassified statements and aggregates lines with the same title to develop the FR statements. This note shows the DOJ financial statements and the DOJ reclassified statements prior to elimination of intragovernmental balances and prior to aggregation of repeated FR line items.

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

**Note 25. Reclassification of the Statement of Net Cost for FR Compilation Process (continued)**

As of September 30, 2022

FY 2022 Department of Justice Statement of Net Cost		Line Items Used to Prepare FY 2022 Government-Wide Statement of Net Cost			
Financial Statement Line	Amounts	Dedicated Collections Consolidated	Other than Dedicated Collections (with Eliminations)	Total	Reclassified Financial Statement Line
<b>Gross Costs</b>					<i>Non-Federal Costs</i>
	\$ 34,909,055	\$ 4,491,841	\$ 30,417,214	\$ 34,909,055	Non-federal Gross Costs
	<b>\$ 34,909,055</b>	<b>\$ 4,491,841</b>	<b>\$ 30,417,214</b>	<b>\$ 34,909,055</b>	<b>Total Non-federal Costs</b>
	<b>10,470,711</b>				<b>Intragovernmental Costs</b>
		172,682	4,435,287	4,607,969	Benefit Program Costs
		39,328	1,234,917	1,274,245	Imputed Costs
		586,217	3,081,900	3,668,117	Buy/Sell Costs
		22	35,624	35,646	Purchase of Assets
		17,936	902,444	920,380	Other Expenses (w/o Reciprocals)
		(22)	(35,624)	(35,646)	Purchase of Assets Offset
	<b>\$ 10,470,711</b>	<b>\$ 816,163</b>	<b>\$ 9,654,548</b>	<b>\$ 10,470,711</b>	<b>Total Intragovernmental Costs</b>
<i>Total Gross Costs</i>	<i>45,379,766</i>	<i>5,308,004</i>	<i>40,071,762</i>	<i>45,379,766</i>	<i>Total Reclassified Gross Costs</i>
<b>Earned Revenue</b>	1,620,090	1,177,760	442,330	1,620,090	Non-federal Earned Revenue
	<b>1,317,026</b>				<b>Intragovernmental Revenue</b>
		91,932	1,222,111	1,314,043	Buy/Sell
		—	2,983	2,983	Federal Securities Interest Revenue Including Associated Gains/Losses (Exchange)
	<b>\$ 1,317,026</b>	<b>\$ 91,932</b>	<b>\$ 1,225,094</b>	<b>\$ 1,317,026</b>	<b>Total Intragovernmental Earned Revenue</b>
<i>Total Earned Revenue</i>	<i>\$ 2,937,116</i>	<i>\$ 1,269,692</i>	<i>\$ 1,667,424</i>	<i>\$ 2,937,116</i>	<i>Total Reclassified Earned Revenue</i>
<b>Net Cost</b>	<b>\$ 42,442,650</b>	<b>\$ 4,038,312</b>	<b>\$ 38,404,338</b>	<b>\$ 42,442,650</b>	<b>Net Cost</b>
<b>Exchange Statement of Custodial Activity</b>					
Exchange Custodial Collections from SCA	15,000	—	15,000	15,000	Non-Federal Earned Revenue
<i>Total Exchange Custodial Collections</i>	<i>15,000</i>	<i>—</i>	<i>15,000</i>	<i>15,000</i>	<i>Total Reclassified Exchange Custodial Collections</i>
					<b>Intragovernmental Earned Revenue</b>
Disposition of Exchange Custodial Collections from SCA	(15,000)	—	(15,000)	(15,000)	Custodial Collections for Others Transferred to the General Fund
					<b>Total Intragovernmental Earned Revenue</b>
<i>Total Disposition of Exchange Custodial Collections</i>	<i>(15,000)</i>	<i>—</i>	<i>(15,000)</i>	<i>(15,000)</i>	<i>Total Reclassified Disposition of Custodial Collections</i>

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

**Note 25. Reclassification of the Statement of Net Cost for FR Compilation Process (continued)**

As of September 30, 2021

FY 2021 Department of Justice Statement of Net Cost		Line Items Used to Prepare FY 2021 Government-Wide Statement of Net Cost			
Financial Statement Line	Amounts	Dedicated Collections Consolidated	Other than Dedicated Collections (with Eliminations)	Total	Reclassified Financial Statement Line
<b>Gross Costs</b>					<b>Non-Federal Costs</b>
	\$ 34,777,418	\$ 4,780,123	\$ 29,997,295	\$ 34,777,418	Non-federal Gross Costs
	<b>\$ 34,777,418</b>	<b>\$ 4,780,123</b>	<b>\$ 29,997,295</b>	<b>\$ 34,777,418</b>	<b>Total Non-federal Costs</b>
	<b>9,686,779</b>				<b>Intragovernmental Costs</b>
		168,895	4,418,438	4,587,333	Benefit Program Costs
		37,376	943,409	980,785	Imputed Costs
		624,099	2,822,283	3,446,382	Buy/Sell Costs
		—	136,167	136,167	Purchase of Assets
		—	7	7	Borrowing and Other Interest Expense
		14,010	658,262	672,272	Other Expenses (w/o Reciprocals)
		—	(136,167)	(136,167)	Purchase of Assets Offset
	<b>\$ 9,686,779</b>	<b>\$ 844,380</b>	<b>\$ 8,842,399</b>	<b>\$ 9,686,779</b>	<b>Total Intragovernmental Costs</b>
<i>Total Gross Costs</i>	44,464,197	5,624,503	38,839,694	44,464,197	<i>Total Reclassified Gross Costs</i>
<b>Earned Revenue</b>	1,814,329	1,296,393	517,936	1,814,329	Non-federal Earned Revenue
	<b>1,139,781</b>				<b>Intragovernmental Revenue</b>
		111,920	1,025,815	1,137,735	Buy/Sell
		30	2,016	2,046	Federal Securities Interest Revenue Including Associated Gains/Losses (Exchange)
	<b>\$ 1,139,781</b>	<b>\$ 111,950</b>	<b>\$ 1,027,831</b>	<b>\$ 1,139,781</b>	<b>Total Intragovernmental Earned Revenue</b>
<i>Total Earned Revenue</i>	<b>\$ 2,954,110</b>	<b>\$ 1,408,343</b>	<b>\$ 1,545,767</b>	<b>\$ 2,954,110</b>	<b>Total Reclassified Earned Revenue</b>
Net Cost	<b>\$ 41,510,087</b>	<b>\$ 4,216,160</b>	<b>\$ 37,293,927</b>	<b>\$ 41,510,087</b>	Net Cost
<b>Exchange Statement of Custodial Activity</b>					
Exchange Custodial Collections from SCA	15,002	—	15,002	15,002	Non-Federal Earned Revenue
<i>Total Exchange Custodial Collections</i>	15,002	—	15,002	15,002	<i>Total Reclassified Exchange Custodial Collections</i>
					<b>Intragovernmental Earned Revenue</b>
Disposition of Exchange Custodial Collections from SCA	(15,002)	—	(15,002)	(15,002)	Custodial Collections for Others Transferred to the General Fund
					<b>Total Intragovernmental Earned Revenue</b>
<i>Total Disposition of Exchange Custodial Collections</i>	(15,002)	—	(15,002)	(15,002)	<i>Total Reclassified Disposition of Custodial Collections</i>

These notes are an integral part of the financial statements.

## **Note 26. Compensation Funds**

The Department's compensation funds are classified as Other Liabilities, however OMB Circular A-136 allows agencies to disaggregate a required line title into two or more entity-specific line titles. DOJ elected to present the below compensation funds as separate line items on the balance sheet. In doing so, compensation funds are not presented in Note 15 - Other Liabilities. To comply with SFFAS No. 1, *Accounting for Selected Assets and Liabilities*, DOJ considers compensation fund liabilities as current liabilities.

### **Radiation Exposure Compensation Act**

On October 15, 1990, Congress passed the Radiation Exposure Compensation Act ("RECA" or "the Act", Public Law 101-426), 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 RECA Amendments of 2000 (Public Law 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 rule-makings in the Federal Register to implement the legislation.

Subsequent action by Congress required modification to those rule-makings. 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 onsite 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 for 2005, contains language that made funding for the RECA Trust Fund mandatory and indefinite beginning in FY 2006.

The OBDs recognized liabilities of \$155,437 and \$61,918 for estimated future benefits payable by the Department as of September 30, 2022 and 2021 respectively. The estimated liability is based on activity between FYs 2007-2011 and FYs 2015-2022. Key factors in determining future liability include trends in the number of claims filed, trends in the percentage of claims adjudicated, and trends in the percentage of claims approved.

**Note 26. Compensation Funds (continued)**

The RECA Extension Act of 2022, PL 117-139, extends the RECA Trust Fund and the filing deadline for new claims for two years from its date of enactment (June 7, 2022). Because the deadline for new claims falls on a Saturday, the Civil Division is working to revise its notice of procedures for filing at the deadline so that new claims bearing a postmark of Monday, June 10, 2024, are deemed timely filed. Currently, there is pending legislation in Congress - H.R. 5338: *Radiation Exposure Compensation Act Amendments of 2021*, to expand and extend the program for another 19 years to 2040.

**September 11<sup>th</sup> Victim Compensation Fund**

On December 18, 2015, the James Zadroga 9/11 Health and Compensation Act of 2010 was reauthorized (Reauthorized Zadroga Act, Public Law 114-113), extending the September 11<sup>th</sup> Victim Compensation Fund (VCF) for 5 years. The Reauthorized Zadroga Act made changes to the method in which the fund calculates awards for claimants receiving award determination letters dated on or after December 17, 2015. This included limiting the amount of non-economic loss that could be awarded, eliminating claims for future out-of-pocket medical expenses, and capping the gross annual income level that can be used when calculating future economic loss.

On July 29, 2019, the President signed into law The Never Forget the Heroes: James Zadroga, Ray Pfeifer, and Luis Alvarez Permanent Authorization of the September 11<sup>th</sup> Victim Compensation Fund. The VCF Permanent Authorization Act extends the VCF's claim filing deadline from December 18, 2020, to October 1, 2090, and appropriates such funds as may be necessary to pay all approved claims.

The VCF meets the criteria of a government-acknowledged event as defined by FASAB SFFAS No.5, *Accounting for Liabilities of the Federal Government*. The OBDs recognized liabilities of \$3.580 billion and \$3.295 billion for estimated future benefits payable by the Department as of September 30, 2022 and 2021 respectively. In accordance with SFFAS No. 5, the September 30, 2022 liability for non-exchange transactions is based on unreported amounts due or estimated amount of claimants that will meet the eligibility criteria submitted by September 30, 2022. The VCF records an obligation and disburses the claim, only when both the claimant and the special master have final agreement of the claim settlement amount.

The Department recognizes there are uncertainties that will influence future claims submitted beyond those submitted by September 30, 2022 including:

- Determining the ultimate number of individuals impacted by the events of September 11, 2001, and the number that will seek treatment and file a claim seeking compensation for injury or death.
- Determining the number of individuals who will die as a result of a September 11<sup>th</sup> related illness.
- Determining the future cancer incidence rates in the affected population.
- Future conditions approved by The World Trade Center (WTC) Health program: the WTC Health Program conducts ongoing research into conditions that may be presumptively tied to an individual's exposure. Should new conditions be added to the WTC Health Program's list of conditions, these same conditions will be added to the VCF's list of conditions eligible for compensation. The WTC Health Program is currently conducting research in several areas, including autoimmune disorders and cardiac disease. The addition of one or more new conditions could open the VCF to claims from an

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

**Note 26. Compensation Funds (continued)**

- entirely new population of individuals or amendments from current claimants suffering from a new condition or a loss tied to a new condition.
- Ability to amend a claim at any point until October 1, 2090: the VCF allows a claimant to amend a claim at any time if the individual is certified for a new condition, suffers a new loss (such as a new disability), or dies of an eligible condition after previously being compensated on a personal injury claim.

**United States Victims of State Sponsored Terrorism Fund**

The USVSST Act established the USVSSTF to provide compensation to individuals harmed as a result of an international act of terrorism by a state sponsor of terrorism. The USVSSTF awards compensation to victims who have final judgments issued under the Foreign Sovereign Immunities Act by U.S. district courts against a state sponsor of terrorism, as well as to hostages held at the U.S. Embassy in Tehran, Iran from November 4, 1979 through January 20, 1981, and their spouses and children.

The Act mandates that certain forfeiture proceeds, penalties, and fines be deposited into the USVSSTF if forfeited or paid to the United States after the date of the Act’s enactment, December 18, 2015. The forfeiture proceeds, penalties, and fines qualify for deposit in the USVSSTF if they result from criminal and civil cases and administrative actions involving prohibited transactions with state sponsors of terrorism or related conspiracies or federal offenses.

As of September 30, 2022 and 2021, the USVSSTF recognized liabilities for future claims amounted to \$208.8 million and \$177.4 million, respectively.

**Note 27. Changes in Accounting Principles**

*DOJ Policy Statement 1400.06* establishes Department policy to account for General Property, Plant and Equipment, and Internal Use Software. DOJ amended the policy statement for accounting periods after September 30, 2021, and required components to apply revised increases to capitalization thresholds for General PP&E. The application of this policy increases efficiency and cost effectiveness of DOJ’s property management efforts while maintaining a system of internal controls.

For financial statement purposes, the Department recognized adjustments relating to the change in capitalization thresholds as changes to the General PP&E’s Net Book Value primarily for real property; including leasehold improvements; and personal property. The Department reported the offsetting change as “Changes in Accounting Principles” in the Statement of Changes in Net Position. As of September 30, 2022, the Department has determined the adjustment reduced the beginning balance for Cumulative Results of Operations in the amount of \$411,096. With the exception of BOP, all DOJ components affected by the policy revision have implemented the capitalization threshold change and performed adjusting entries. BOP has received a policy waiver until FY 2024 due to upgrade implementations to their financial and property systems.

<b>Property Type</b>	<b>ATF</b>	<b>DEA</b>	<b>FBI</b>	<b>OBDs</b>	<b>OJP</b>	<b>USMS</b>	<b>Total</b>
Real Property	\$ (14,815)	\$ (44,379)	\$ (84,538)	\$ —	\$ —	\$ (117,320)	\$ (261,052)
Personal Property	(7,764)	—	(113,657)	(21,027)	(162)	(7,434)	(150,044)
<b>Total</b>	\$ (22,579)	\$ (44,379)	\$ (198,195)	\$ (21,027)	\$ (162)	\$ (124,754)	\$ (411,096)

# U.S. DEPARTMENT OF JUSTICE

REQUIRED SUPPLEMENTARY INFORMATION  
(UNAUDITED)





**U.S. Department of Justice**  
**Combining Statement of Budgetary Resources**  
**For the Fiscal Year Ended September 30, 2022**

Dollars in Thousands	AFF/SADF	ATF	BOP	DEA	FBI	FPI	OBDs	OJP	USMS	Combined
<b>Budgetary Resources</b>										
Unobligated Balance from Prior Year Budget Authority, Net (discretionary and mandatory)	\$ 1,157,312	\$ 214,415	\$ 1,821,357	\$ 404,946	\$ 2,747,365	\$ 226,189	\$ 2,719,265	\$ 2,340,472	\$ 260,116	\$ 11,891,437
Appropriations (discretionary and mandatory)	1,587,082	1,531,367	8,044,000	3,017,645	11,005,926	—	8,426,634	4,998,548	4,401,162	43,012,364
Spending Authority from Offsetting Collections (discretionary and mandatory)	14,720	43,829	417,995	16,458	1,168,540	618,374	2,324,465	325,149	102,728	5,032,258
<b>Total Budgetary Resources</b>	<b>\$ 2,759,114</b>	<b>\$ 1,789,611</b>	<b>\$ 10,283,352</b>	<b>\$ 3,439,049</b>	<b>\$ 14,921,831</b>	<b>\$ 844,563</b>	<b>\$ 13,470,364</b>	<b>\$ 7,664,169</b>	<b>\$ 4,764,006</b>	<b>\$ 59,936,059</b>
<b>Status of Budgetary Resources</b>										
New Obligations and Upward Adjustments (Total)	\$ 1,446,401	\$ 1,613,308	\$ 8,352,023	\$ 3,180,627	\$ 11,991,232	\$ 681,598	\$ 11,710,085	\$ 6,623,091	\$ 4,547,338	\$ 50,145,703
Unobligated Balance, End of Year:										
Apportioned, Unexpired Accounts	1,131,045	150,624	1,212,221	221,177	2,618,151	—	1,444,421	1,018,391	141,009	7,937,039
Exempt from Apportionment, Unexpired Accounts	—	—	142,185	—	—	162,965	—	—	—	305,150
Unapportioned, Unexpired Accounts	181,668	6,642	10,463	1,151	8,821	—	89,758	22,687	1,979	323,169
Unexpired, Unobligated Balance, End of Year	1,312,713	157,266	1,364,869	222,328	2,626,972	162,965	1,534,179	1,041,078	142,988	8,565,358
Expired Unobligated Balance, End of Year	—	19,037	566,460	36,094	303,627	—	226,100	—	73,680	1,224,998
Unobligated Balance - End of Year (Total)	1,312,713	176,303	1,931,329	258,422	2,930,599	162,965	1,760,279	1,041,078	216,668	9,790,356
<b>Total Status of Budgetary Resources</b>	<b>\$ 2,759,114</b>	<b>\$ 1,789,611</b>	<b>\$ 10,283,352</b>	<b>\$ 3,439,049</b>	<b>\$ 14,921,831</b>	<b>\$ 844,563</b>	<b>\$ 13,470,364</b>	<b>\$ 7,664,169</b>	<b>\$ 4,764,006</b>	<b>\$ 59,936,059</b>
<b>Outlays, Net</b>										
Outlays, Net (Total) (discretionary and mandatory)	\$ 1,594,790	\$ 1,479,368	\$ 7,530,966	\$ 2,977,829	\$ 10,275,897	\$ 7,163	\$ 8,025,373	\$ 4,703,362	\$ 4,322,388	\$ 40,917,136
Less: Distributed Offsetting Receipts	21,162	283	361	575,044	175	—	282,110	—	4,297	883,432
Agency Outlays, Net (discretionary and mandatory)	<b>\$ 1,573,628</b>	<b>\$ 1,479,085</b>	<b>\$ 7,530,605</b>	<b>\$ 2,402,785</b>	<b>\$ 10,275,722</b>	<b>\$ 7,163</b>	<b>\$ 7,743,263</b>	<b>\$ 4,703,362</b>	<b>\$ 4,318,091</b>	<b>\$ 40,033,704</b>

**U.S. Department of Justice**  
**Combining Statement of Budgetary Resources**  
**For the Fiscal Year Ended September 30, 2021**

Dollars in Thousands	AFF/SADF	ATF	BOP	DEA	FBI	FPI	OBDs	OJP	USMS	Combined
<b>Budgetary Resources</b>										
Unobligated Balance from Prior Year Budget Authority, Net (discretionary and mandatory)	\$ 1,262,487	\$ 199,337	\$ 1,499,000	\$ 429,886	\$ 2,298,345	\$ 91,011	\$ 2,656,890	\$ 524,907	\$ 250,890	\$ 9,212,753
Appropriations (discretionary and mandatory)	1,444,103	1,484,203	8,135,375	2,955,320	10,420,329	—	8,097,677	3,962,642	4,258,317	40,757,966
Spending Authority from Offsetting Collections (discretionary and mandatory)	19,582	66,375	430,316	14,857	1,093,578	708,360	2,628,284	286,637	112,309	5,360,298
<b>Total Budgetary Resources</b>	<b>\$ 2,726,172</b>	<b>\$ 1,749,915</b>	<b>\$ 10,064,691</b>	<b>\$ 3,400,063</b>	<b>\$ 13,812,252</b>	<b>\$ 799,371</b>	<b>\$ 13,382,851</b>	<b>\$ 4,774,186</b>	<b>\$ 4,621,516</b>	<b>\$ 55,331,017</b>
<b>Status of Budgetary Resources</b>										
New Obligations and Upward Adjustments (Total)	\$ 1,643,202	\$ 1,569,716	\$ 8,368,395	\$ 3,082,703	\$ 11,346,580	\$ 573,182	\$ 11,173,539	\$ 2,702,715	\$ 4,431,067	\$ 44,891,099
Unobligated Balance, End of Year:										
Apportioned, Unexpired Accounts	1,000,221	150,427	1,095,482	259,715	2,246,313	—	1,685,741	2,055,588	124,981	8,618,468
Exempt from Apportionment, Unexpired Accounts	—	—	127,473	—	—	226,189	—	—	—	353,662
Unapportioned, Unexpired Accounts	82,749	7,908	69,585	1,858	300	—	294,188	15,883	9,201	481,672
Unexpired, Unobligated Balance, End of Year	1,082,970	158,335	1,292,540	261,573	2,246,613	226,189	1,979,929	2,071,471	134,182	9,453,802
Expired Unobligated Balance, End of Year	—	21,864	403,756	55,787	219,059	—	229,383	—	56,267	986,116
Unobligated Balance - End of Year (Total)	1,082,970	180,199	1,696,296	317,360	2,465,672	226,189	2,209,312	2,071,471	190,449	10,439,918
<b>Total Status of Budgetary Resources</b>	<b>\$ 2,726,172</b>	<b>\$ 1,749,915</b>	<b>\$ 10,064,691</b>	<b>\$ 3,400,063</b>	<b>\$ 13,812,252</b>	<b>\$ 799,371</b>	<b>\$ 13,382,851</b>	<b>\$ 4,774,186</b>	<b>\$ 4,621,516</b>	<b>\$ 55,331,017</b>
<b>Outlays, Net</b>										
Outlays, Net (Total) (discretionary and mandatory)	\$ 2,644,850	\$ 1,432,921	\$ 7,677,588	\$ 2,939,084	\$ 10,132,447	\$ (7,252)	\$ 7,788,793	\$ 4,353,517	\$ 4,225,822	\$ 41,187,770
Less: Distributed Offsetting Receipts	40,445	281	(5,408)	549,139	(777)	—	454,739	—	352	1,038,771
Agency Outlays, Net (discretionary and mandatory)	<b>\$ 2,604,405</b>	<b>\$ 1,432,640</b>	<b>\$ 7,682,996</b>	<b>\$ 2,389,945</b>	<b>\$ 10,133,224</b>	<b>\$ (7,252)</b>	<b>\$ 7,334,054</b>	<b>\$ 4,353,517</b>	<b>\$ 4,225,470</b>	<b>\$ 40,148,999</b>

**U.S. Department of Justice  
Consolidating Land Acreage by  
As of September 30, 2022**

**Estimated Land Acreage**

Pursuant to SFFAS No. 59, *Accounting and Reporting of Government Land*, federal reporting entities are required to report estimated land acres to increase transparency, comparability, consistency, and reliability of land information. As such, components of the DOJ own and maintain land for operational purposes in accordance with their individual missions. As of September 30, 2022, estimated land acres by component is presented in the following table.

As of September 30, 2022	ATF	BOP	DEA	FBI	Total Estimated Land Acres
Beginning Estimated Acres	35	46,204	12	1,902	48,153
Ending Estimated Acres	35	46,204	12	1,976	48,227
Total Acres	35	46,204	12	1,976	48,227

Per DOJ Policy Statement 1400.06, *Accounting for General Property, Plant, and Equipment and Internal Use Software*, land is recognized at historical cost, categorized as real property, always capitalized, and never depreciated.

The ATF owns and operates the National Laboratory Center located in Ammendale, Maryland. It is the main hub of the ATF's scientific research that includes the Fire Research Laboratory (FRL), National Firearms Examiner Academy (NFEA), and one of three forensic science laboratories. Throughout its history and pursuant to its mission, the BOP has acquired 122 correctional facilities across the United States and the land those facilities reside upon. The DEA owns land for its Aviation Division in Ft. Worth, Texas. The FBI owns land for the purpose of constructing buildings, ranges, and other structures.

All DOJ reported land acres is considered operational by predominate use, as it is used for mission related activities. DOJ does not have any land considered as commercial by predominate use.

# U.S. DEPARTMENT OF JUSTICE

## OTHER INFORMATION (UNAUDITED)



**U.S. Department of Justice  
Consolidating Balance Sheet  
As of September 30, 2022**

Dollars in Thousands	AFF/SADF	ATF	BOP	DEA	FBI	FPI	OBDs	OJP	USMS	Eliminations	Consolidated
<b>Assets (Note 2)</b>											
<b>Intragovernmental</b>											
Fund Balance with Treasury	\$ 1,350,658	\$ 526,883	\$ 3,525,824	\$ 1,094,802	\$ 5,992,049	\$ 19,579	\$ 6,508,538	\$ 14,005,379	\$ 1,210,727	\$ —	\$ 34,234,439
Investments	2,526,048	—	—	—	—	279,599	330,912	—	—	—	3,136,559
Accounts Receivable	6,010	13,259	4,293	3,800	398,082	38,095	477,850	11,569	6,934	(287,923)	671,969
Advances and Prepayments	—	2	6,038	40,207	7,318	—	—	108,235	—	(2,980)	158,820
Other Assets (Note 10)	—	367	—	—	—	57,797	(3)	—	—	—	58,161
<b>Total Intragovernmental</b>	<b>\$ 3,882,716</b>	<b>\$ 540,511</b>	<b>\$ 3,536,155</b>	<b>\$ 1,138,809</b>	<b>\$ 6,397,449</b>	<b>\$ 395,070</b>	<b>\$ 7,317,297</b>	<b>\$ 14,125,183</b>	<b>\$ 1,217,661</b>	<b>\$ (290,903)</b>	<b>\$ 38,259,948</b>
<b>Other than Intragovernmental</b>											
Cash and Other Monetary Assets	\$ 1,245,248	\$ 12,487	\$ 470	\$ 19,259	\$ 134,795	\$ —	\$ 51	\$ —	\$ —	\$ —	\$ 1,412,310
Accounts Receivable, Net	42	133	24,098	3,540	43,653	4,899	2,147,222	2,062	144	—	2,225,793
Inventory and Related Property, Net											
Forfeited Property, Net (Note 8)	95,062	—	—	—	—	—	—	—	—	—	95,062
Other Inventory and Related Property, Net (Note 7)	—	—	23,952	12,715	—	78,456	—	—	5,238	—	120,361
General Property, Plant and Equipment, Net (Note 9)	1,099	166,075	4,081,826	275,160	2,945,310	77,078	189,781	55,590	473,860	—	8,265,779
Advances and Prepayments	1,000	1,154	16,115	248	141,979	1,302	5,857	334,638	—	—	502,293
Other Assets (Note 10)	2	—	—	—	1	411	—	—	184	—	598
<b>Total Other than Intragovernmental</b>	<b>\$ 1,342,453</b>	<b>\$ 179,849</b>	<b>\$ 4,146,461</b>	<b>\$ 310,922</b>	<b>\$ 3,265,738</b>	<b>\$ 162,146</b>	<b>\$ 2,342,911</b>	<b>\$ 392,290</b>	<b>\$ 479,426</b>	<b>\$ —</b>	<b>\$ 12,622,196</b>
<b>Total Assets</b>	<b>\$ 5,225,169</b>	<b>\$ 720,360</b>	<b>\$ 7,682,616</b>	<b>\$ 1,449,731</b>	<b>\$ 9,663,187</b>	<b>\$ 557,216</b>	<b>\$ 9,660,208</b>	<b>\$ 14,517,473</b>	<b>\$ 1,697,087</b>	<b>\$ (290,903)</b>	<b>\$ 50,882,144</b>
<b>Liabilities (Note 11)</b>											
<b>Intragovernmental</b>											
Accounts Payable	\$ 104,297	\$ 26,832	\$ 110,395	\$ 79,860	\$ 122,021	\$ 5,021	\$ 164,884	\$ 35,322	\$ 63,416	\$ (287,923)	\$ 424,125
Advances from Others and Deferred Revenue	—	—	—	13	67,156	106,047	25,965	5,873	—	(2,980)	202,074
Other Liabilities											
Custodial Liabilities (Note 21)	—	—	414	3,341	3,401	—	2,570,987	—	—	—	2,578,143
Other (Note 15)	929	36,073	268,610	48,716	142,494	4,084	67,319	1,673	37,571	—	607,469
<b>Total Intragovernmental</b>	<b>\$ 105,226</b>	<b>\$ 62,905</b>	<b>\$ 379,419</b>	<b>\$ 131,930</b>	<b>\$ 335,072</b>	<b>\$ 115,152</b>	<b>\$ 2,829,155</b>	<b>\$ 42,868</b>	<b>\$ 100,987</b>	<b>\$ (290,903)</b>	<b>\$ 3,811,811</b>
<b>Other than Intragovernmental</b>											
Accounts Payable	\$ 630,705	\$ 26,196	\$ 509,919	\$ 75,022	\$ 412,816	\$ 46,922	\$ 442,352	\$ 95,514	\$ 419,231	\$ —	\$ 2,658,677
Federal Employee Benefits Payable	4,541	178,020	1,190,375	244,595	582,665	13,110	280,531	9,501	170,049	—	2,673,387
Environmental and Disposal Liabilities (Note 12)	—	—	78,515	—	4,875	—	—	—	—	—	83,390
Advances from Others and Deferred Revenue	95,062	—	1,060	818,840	7,433	—	—	—	—	—	922,395
Other											
Accrued Grant Liabilities	—	—	—	—	—	—	214,389	606,850	—	—	821,239
Seized Cash and Monetary Instruments (Note 14)	2,816,203	4,138	—	705	56,187	—	—	—	—	—	2,877,233
Radiation Exposure Compensation Act Liabilities (Note 26)	—	—	—	—	—	—	155,437	—	—	—	155,437
September 11th Victim Compensation Fund Liabilities (Note 26)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 3,580,103	\$ —	\$ —	\$ —	\$ 3,580,103
United States Victims of State Sponsored Terrorism Act Liabilities (Note 26)	—	—	—	—	—	—	208,803	—	—	—	208,803
Other Liabilities (Note 15)	2,940	39,915	725,940	101,080	330,854	12,061	273,591	7,644	56,647	—	1,550,672
<b>Total Other than Intragovernmental</b>	<b>\$ 3,549,451</b>	<b>\$ 248,269</b>	<b>\$ 2,505,809</b>	<b>\$ 1,240,242</b>	<b>\$ 1,394,830</b>	<b>\$ 72,093</b>	<b>\$ 5,155,206</b>	<b>\$ 719,509</b>	<b>\$ 645,927</b>	<b>\$ —</b>	<b>\$ 15,531,336</b>
<b>Total Liabilities</b>	<b>\$ 3,654,677</b>	<b>\$ 311,174</b>	<b>\$ 2,885,228</b>	<b>\$ 1,372,172</b>	<b>\$ 1,729,902</b>	<b>\$ 187,245</b>	<b>\$ 7,984,361</b>	<b>\$ 762,377</b>	<b>\$ 746,914</b>	<b>\$ (290,903)</b>	<b>\$ 19,343,147</b>
Commitments and Contingencies (Note 16)											
<b>NET POSITION</b>											
Unexpended Appropriations - Funds from Dedicated Collections (Note 17)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ (1,444)	\$ —	\$ —	\$ —	\$ (1,444)
Unexpended Appropriations - Funds from other than Dedicated Collections	—	313,325	2,373,249	575,032	4,840,987	—	4,293,022	6,934,118	595,188	—	19,924,921
<b>Total Unexpended Appropriations</b>	<b>\$ —</b>	<b>\$ 313,325</b>	<b>\$ 2,373,249</b>	<b>\$ 575,032</b>	<b>\$ 4,840,987</b>	<b>\$ —</b>	<b>\$ 4,291,578</b>	<b>\$ 6,934,118</b>	<b>\$ 595,188</b>	<b>\$ —</b>	<b>\$ 19,923,477</b>
Cumulative Results of Operations - Funds from Dedicated Collections (Note 17)	1,570,492	—	170,082	(615,501)	—	—	543,495	6,770,325	—	—	8,438,893
Cumulative Results of Operations - Funds other than those from Dedicated Collections	—	95,861	2,254,057	118,028	3,092,298	369,971	(3,159,226)	50,653	354,985	—	3,176,627
<b>Total Cumulative Results of Operations</b>	<b>\$ 1,570,492</b>	<b>\$ 95,861</b>	<b>\$ 2,424,139</b>	<b>\$ (497,473)</b>	<b>\$ 3,092,298</b>	<b>\$ 369,971</b>	<b>\$ (2,615,731)</b>	<b>\$ 6,820,978</b>	<b>\$ 354,985</b>	<b>\$ —</b>	<b>\$ 11,615,520</b>
<b>Total Net Position</b>	<b>\$ 1,570,492</b>	<b>\$ 409,186</b>	<b>\$ 4,797,388</b>	<b>\$ 77,559</b>	<b>\$ 7,933,285</b>	<b>\$ 369,971</b>	<b>\$ 1,675,847</b>	<b>\$ 13,755,096</b>	<b>\$ 950,173</b>	<b>\$ —</b>	<b>\$ 31,538,997</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 5,225,169</b>	<b>\$ 720,360</b>	<b>\$ 7,682,616</b>	<b>\$ 1,449,731</b>	<b>\$ 9,663,187</b>	<b>\$ 557,216</b>	<b>\$ 9,660,208</b>	<b>\$ 14,517,473</b>	<b>\$ 1,697,087</b>	<b>\$ (290,903)</b>	<b>\$ 50,882,144</b>

**U.S. Department of Justice  
Consolidating Balance Sheet  
As of September 30, 2021**

Dollars in Thousands	AFF/SADF	ATF	BOP	DEA	FBI	FPI	OBDs	OJP	USMS	Eliminations	Consolidated
<b>Assets (Note 2)</b>											
Intragovernmental											
Fund Balance with Treasury	\$ 928,529	\$ 478,832	\$ 3,134,841	\$ 1,053,296	\$ 5,267,524	\$ 29,644	\$ 6,507,581	\$ 15,399,322	\$ 1,123,149	\$ —	\$ 33,922,718
Investments	2,918,959	—	—	—	—	276,503	403,436	—	—	—	3,598,898
Accounts Receivable	7,621	29,454	3,826	3,913	391,311	32,425	397,664	13,422	12,589	(293,258)	598,967
Advances and Prepayments	—	—	6,167	43,912	14,046	—	—	111,989	—	(4,327)	171,787
Other Assets (Note 10)	—	101	—	—	—	48,050	(3)	—	—	—	48,148
<b>Total Intragovernmental</b>	<b>\$ 3,855,109</b>	<b>\$ 508,387</b>	<b>\$ 3,144,834</b>	<b>\$ 1,101,121</b>	<b>\$ 5,672,881</b>	<b>\$ 386,622</b>	<b>\$ 7,308,678</b>	<b>\$ 15,524,733</b>	<b>\$ 1,135,738</b>	<b>\$ (297,585)</b>	<b>\$ 38,340,518</b>
Other than Intragovernmental											
Cash and Other Monetary Assets	\$ 1,211,275	\$ 12,845	\$ 446	\$ 21,023	\$ 131,693	\$ —	\$ 51	\$ —	\$ —	\$ —	\$ 1,377,333
Accounts Receivable, Net	42	173	7,770	4,127	40,817	2,633	73,418	1,577	76	—	130,633
Inventory and Related Property, Net											
Forfeited Property, Net (Note 8)	82,601	—	—	—	—	—	—	—	—	—	82,601
Other Inventory and Related Property, Net (Note 7)	—	—	19,911	12,350	—	80,737	—	—	5,146	—	118,144
General Property, Plant and Equipment, Net (Note 9)	1,224	179,623	4,334,576	283,492	3,095,259	81,164	222,519	40,990	530,857	—	8,769,704
Advances and Prepayments	—	927	2,721	268	143,321	2,323	4,728	416,582	—	—	570,870
Other Assets	1	—	—	—	—	406	—	—	184	—	591
<b>Total Other than Intragovernmental</b>	<b>\$ 1,295,143</b>	<b>\$ 193,568</b>	<b>\$ 4,365,424</b>	<b>\$ 321,260</b>	<b>\$ 3,411,090</b>	<b>\$ 167,263</b>	<b>\$ 300,716</b>	<b>\$ 459,149</b>	<b>\$ 536,263</b>	<b>\$ —</b>	<b>\$ 11,049,876</b>
<b>Total Assets</b>	<b>\$ 5,150,252</b>	<b>\$ 701,955</b>	<b>\$ 7,510,258</b>	<b>\$ 1,422,381</b>	<b>\$ 9,083,971</b>	<b>\$ 553,885</b>	<b>\$ 7,609,394</b>	<b>\$ 15,983,882</b>	<b>\$ 1,672,001</b>	<b>\$ (297,585)</b>	<b>\$ 49,390,394</b>
<b>Liabilities (Note 11)</b>											
Intragovernmental											
Accounts Payable	\$ 101,850	\$ 28,909	\$ 52,729	\$ 56,765	\$ 117,879	\$ 2,469	\$ 123,493	\$ 53,480	\$ 43,665	\$ (293,258)	\$ 287,981
Advances from Others and Deferred Revenue	—	—	—	38	69,877	98,412	28,898	5,180	—	(4,327)	198,078
Other											
Custodial Liabilities (Note 21)	—	—	27	3,851	4,367	—	830,005	—	—	—	838,250
Other Liabilities (Note 15)	804	34,070	263,220	46,033	128,542	3,675	56,956	1,403	35,861	—	570,564
<b>Total Intragovernmental</b>	<b>\$ 102,654</b>	<b>\$ 62,979</b>	<b>\$ 315,976</b>	<b>\$ 106,687</b>	<b>\$ 320,665</b>	<b>\$ 104,556</b>	<b>\$ 1,039,352</b>	<b>\$ 60,063</b>	<b>\$ 79,526</b>	<b>\$ (297,585)</b>	<b>\$ 1,894,873</b>
Other than Intragovernmental											
Accounts Payable	\$ 885,161	\$ 38,140	\$ 317,742	\$ 75,451	\$ 379,228	\$ 44,220	\$ 418,537	\$ 84,925	\$ 400,981	\$ —	\$ 2,644,385
Federal Employee Benefits Payable	4,522	187,961	1,249,648	261,379	624,088	17,450	304,486	9,668	174,257	—	2,833,459
Environmental and Disposal Liabilities (Note 12)	—	—	74,789	—	4,825	—	—	—	—	—	79,614
Advances from Others and Deferred Revenue	82,601	—	(282)	739,235	6,953	—	—	—	—	—	828,507
Other											
Accrued Grant Liabilities	—	—	—	—	—	—	137,939	658,691	—	—	796,630
Seized Cash and Monetary Instruments (Note 14)	2,781,818	4,440	—	716	63,004	—	—	—	—	—	2,849,978
Radiation Exposure Compensation Act Liabilities (Note 27)	—	—	—	—	—	—	61,918	—	—	—	61,918
September 11th Victim Compensation Fund Liabilities (Note 27)	—	—	—	—	—	—	3,294,883	—	—	—	3,294,883
United States Victims of State Sponsored Terrorism Act Liabilities (Note 27)	—	—	—	—	—	—	177,404	—	—	—	177,404
<b>Total Other than Intragovernmental</b>	<b>\$ 3,756,663</b>	<b>\$ 265,886</b>	<b>\$ 2,378,812</b>	<b>\$ 1,179,943</b>	<b>\$ 1,354,759</b>	<b>\$ 73,129</b>	<b>\$ 4,581,376</b>	<b>\$ 760,067</b>	<b>\$ 620,762</b>	<b>\$ —</b>	<b>\$ 14,971,397</b>
<b>Total Liabilities</b>	<b>\$ 3,859,317</b>	<b>\$ 328,865</b>	<b>\$ 2,694,788</b>	<b>\$ 1,286,630</b>	<b>\$ 1,675,424</b>	<b>\$ 177,685</b>	<b>\$ 5,620,728</b>	<b>\$ 820,130</b>	<b>\$ 700,288</b>	<b>\$ (297,585)</b>	<b>\$ 16,866,270</b>
Commitments and Contingencies (Note 16)											
<b>NET POSITION</b>											
Unexpended Appropriations - Funds from Dedicated Collections (Note 17)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 2,877	\$ —	\$ —	\$ —	\$ 2,877
Unexpended Appropriations - Funds from other than Dedicated Collections	—	266,498	2,235,383	611,325	4,235,884	—	3,892,948	6,085,939	561,736	—	17,889,713
<b>Total Unexpended Appropriations</b>	<b>\$ —</b>	<b>\$ 266,498</b>	<b>\$ 2,235,383</b>	<b>\$ 611,325</b>	<b>\$ 4,235,884</b>	<b>\$ —</b>	<b>\$ 3,895,825</b>	<b>\$ 6,085,939</b>	<b>\$ 561,736</b>	<b>\$ —</b>	<b>\$ 17,892,590</b>
Cumulative Results of Operations - Funds from Dedicated Collections (Note 17)	\$ 1,290,935	\$ —	\$ 149,948	\$ (591,098)	\$ —	\$ —	\$ 624,342	\$ 9,042,480	\$ —	\$ —	\$ 10,516,607
Cumulative Results of Operations - Funds other than those from Dedicated Collections	—	106,592	2,430,139	115,524	3,172,663	376,200	(2,531,501)	35,333	409,977	—	4,114,927
<b>Total Cumulative Results of Operations</b>	<b>\$ 1,290,935</b>	<b>\$ 106,592</b>	<b>\$ 2,580,087</b>	<b>\$ (475,574)</b>	<b>\$ 3,172,663</b>	<b>\$ 376,200</b>	<b>\$ (1,907,159)</b>	<b>\$ 9,077,813</b>	<b>\$ 409,977</b>	<b>\$ —</b>	<b>\$ 14,631,534</b>
<b>Total Net Position</b>	<b>\$ 1,290,935</b>	<b>\$ 373,090</b>	<b>\$ 4,815,470</b>	<b>\$ 135,751</b>	<b>\$ 7,408,547</b>	<b>\$ 376,200</b>	<b>\$ 1,988,666</b>	<b>\$ 15,163,752</b>	<b>\$ 971,713</b>	<b>\$ —</b>	<b>\$ 32,524,124</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 5,150,252</b>	<b>\$ 701,955</b>	<b>\$ 7,510,258</b>	<b>\$ 1,422,381</b>	<b>\$ 9,083,971</b>	<b>\$ 553,885</b>	<b>\$ 7,609,394</b>	<b>\$ 15,983,882</b>	<b>\$ 1,672,001</b>	<b>\$ (297,585)</b>	<b>\$ 49,390,394</b>

**U.S. Department of Justice**  
**Consolidating Statement of Net Cost**  
**For the Fiscal Year Ended September 30, 2022**

Dollars in Thousands	AFF/SADF	ATF	BOP	DEA	FBI	FPI	OBDs	OJP	USMS	Eliminations	Consolidated
<b>Major Program 1: Law Enforcement</b>											
Gross Cost - Intragovernmental	\$ 181,455	\$ 546,547	\$ —	\$ 1,271,907	\$ 3,755,221	\$ —	\$ 191,699	\$ —	\$ 813,872	\$ (771,623)	\$ 5,989,078
Gross Cost - Other than Intragovernmental	1,217,820	1,033,256	—	1,794,970	8,263,083	—	359,292	—	1,380,242	—	14,048,663
Subtotal Gross Costs	1,399,275	1,579,803	—	3,066,877	12,018,304	—	550,991	—	2,194,114	(771,623)	20,037,741
Earned Revenues - Intragovernmental	15,732	48,851	—	12,095	794,873	—	884	—	52,738	(771,623)	153,550
Earned Revenues - Other than Intragovernmental	—	1,291	—	503,804	240,068	—	—	—	3,956	—	749,119
Subtotal Earned Revenue	15,732	50,142	—	515,899	1,034,941	—	884	—	56,694	(771,623)	902,669
Subtotal Net Cost of Operation	\$ 1,383,543	\$ 1,529,661	\$ —	\$ 2,550,978	\$ 10,983,363	\$ —	\$ 550,107	\$ —	\$ 2,137,420	\$ —	\$ 19,135,072
<b>Major Program 2: Litigation and Compensation</b>											
Gross Cost - Intragovernmental	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 1,702,123	\$ —	\$ —	\$ (40,740)	\$ 1,661,383
Gross Cost - Other than Intragovernmental	—	—	—	—	—	—	4,871,866	—	—	—	4,871,866
Subtotal Gross Costs	—	—	—	—	—	—	6,573,989	—	—	(40,740)	6,533,249
Earned Revenues - Intragovernmental	—	—	—	—	—	—	217,881	—	—	(40,740)	177,141
Earned Revenues - Other than Intragovernmental	—	—	—	—	—	—	195,421	—	—	—	195,421
Subtotal Earned Revenue	—	—	—	—	—	—	413,302	—	—	(40,740)	372,562
Subtotal Net Cost of Operation	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 6,160,687	\$ —	\$ —	\$ —	\$ 6,160,687
<b>Major Program 3: Prison and Detention</b>											
Gross Cost - Intragovernmental	\$ —	\$ —	\$ 2,304,725	\$ —	\$ —	\$ 100,314	\$ 5,580	\$ —	\$ 60,446	\$ (338,194)	\$ 2,132,871
Gross Cost - Other than Intragovernmental	—	—	6,338,896	—	—	585,456	5,846	—	2,158,538	—	9,088,736
Subtotal Gross Costs	—	—	8,643,621	—	—	685,770	11,426	—	2,218,984	(338,194)	11,221,607
Earned Revenues - Intragovernmental	—	—	12,151	—	—	598,815	—	—	102	(322,396)	288,672
Earned Revenues - Other than Intragovernmental	—	—	326,738	—	—	57,798	—	—	278	—	384,814
Subtotal Earned Revenue	—	—	338,889	—	—	656,613	—	—	380	(322,396)	673,486
Subtotal Net Cost of Operation	\$ —	\$ —	\$ 8,304,732	\$ —	\$ —	\$ 29,157	\$ 11,426	\$ —	\$ 2,218,604	\$ (15,798)	\$ 10,548,121
<b>Major Program 4: Grants</b>											
Gross Cost - Intragovernmental	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 27,733	\$ 210,542	\$ —	\$ (13,794)	\$ 224,481
Gross Cost - Other than Intragovernmental	—	—	—	—	—	—	659,079	4,535,270	—	—	5,194,349
Subtotal Gross Costs	—	—	—	—	—	—	686,812	4,745,812	—	(13,794)	5,418,830
Earned Revenues - Intragovernmental	—	—	—	—	—	—	5,429	22,463	—	(13,794)	14,098
Earned Revenues - Other than Intragovernmental	—	—	—	—	—	—	—	—	—	—	—
Subtotal Earned Revenue	—	—	—	—	—	—	5,429	22,463	—	(13,794)	14,098
Subtotal Net Cost of Operation	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 681,383	\$ 4,723,349	\$ —	\$ —	\$ 5,404,732
<b>Major Program 5: Executive Oversight and Enterprise Technology</b>											
Gross Cost - Intragovernmental	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 490,785	\$ —	\$ —	\$ (27,887)	\$ 462,898
Gross Cost - Other than Intragovernmental	—	—	—	—	—	—	1,705,441	—	—	—	1,705,441
Subtotal Gross Cost	—	—	—	—	—	—	2,196,226	—	—	(27,887)	2,168,339
Earned Revenue - Intragovernmental	—	—	—	—	—	—	711,452	—	—	(27,887)	683,565
Earned Revenues - Other than Intragovernmental	—	—	—	—	—	—	290,736	—	—	—	290,736
Subtotal Earned Revenue	—	—	—	—	—	—	1,002,188	—	—	(27,887)	974,301
Subtotal Net Cost of Operations	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 1,194,038	\$ —	\$ —	\$ —	\$ 1,194,038
<b>Total Net Cost of Operations</b>	<b>\$ 1,383,543</b>	<b>\$ 1,529,661</b>	<b>\$ 8,304,732</b>	<b>\$ 2,550,978</b>	<b>\$ 10,983,363</b>	<b>\$ 29,157</b>	<b>\$ 8,597,641</b>	<b>\$ 4,723,349</b>	<b>\$ 4,356,024</b>	<b>\$ (15,798)</b>	<b>\$ 42,442,650</b>

**U.S. Department of Justice**  
**Consolidating Statement of Net Cost**  
**For the Fiscal Year Ended September 30, 2021**

Dollars in Thousands	AFF/SADF	ATF	BOP	DEA	FBI	FPI	OBDs	OJP	USMS	Eliminations	Consolidated
<b>Major Program 1: Law Enforcement</b>											
Gross Cost - Intragovernmental	\$ 165,318	\$ 524,674	\$ —	\$ 1,182,256	\$ 3,420,940	\$ —	\$ 170,098	\$ —	\$ 805,845	\$ (828,684)	\$ 5,440,447
Gross Cost - Other than Intragovernmental	1,433,416	1,020,300	—	1,860,747	8,019,483	—	359,113	—	1,311,696	—	14,004,755
Subtotal Gross Costs	1,598,734	1,544,974	—	3,043,003	11,440,423	—	529,211	—	2,117,541	(828,684)	19,445,202
Earned Revenues - Intragovernmental	5,289	58,946	—	21,807	736,379	—	23	—	55,227	(828,684)	48,987
Earned Revenues - Other than Intragovernmental	—	997	—	455,858	212,635	—	—	—	3,906	—	673,396
Subtotal Earned Revenue	5,289	59,943	—	477,665	949,014	—	23	—	59,133	(828,684)	722,383
Subtotal Net Cost of Operation	\$ 1,593,445	\$ 1,485,031	\$ —	\$ 2,565,338	\$ 10,491,409	\$ —	\$ 529,188	\$ —	\$ 2,058,408	\$ —	\$ 18,722,819
<b>Major Program 2: Litigation and Compensation</b>											
Gross Cost - Intragovernmental	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 1,621,568	\$ —	\$ —	\$ (40,973)	\$ 1,580,595
Gross Cost - Other than Intragovernmental	—	—	—	—	—	—	5,006,290	—	—	—	5,006,290
Subtotal Gross Costs	—	—	—	—	—	—	6,627,858	—	—	(40,973)	6,586,885
Earned Revenues - Intragovernmental	—	—	—	—	—	—	200,883	—	—	(40,973)	159,910
Earned Revenues - Other than Intragovernmental	—	—	—	—	—	—	239,550	—	—	—	239,550
Subtotal Earned Revenue	—	—	—	—	—	—	440,433	—	—	(40,973)	399,460
Subtotal Net Cost of Operation	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 6,187,425	\$ —	\$ —	\$ —	\$ 6,187,425
<b>Major Program 3: Prison and Detention</b>											
Gross Cost - Intragovernmental	\$ —	\$ —	\$ 2,187,090	\$ —	\$ —	\$ 109,087	\$ 5,322	\$ —	\$ 53,203	\$ (333,743)	\$ 2,020,959
Gross Cost - Other than Intragovernmental	—	—	6,334,838	—	—	551,678	5,779	—	2,134,518	—	9,026,813
Subtotal Gross Costs	—	—	8,521,928	—	—	660,765	11,101	—	2,187,721	(333,743)	11,047,772
Earned Revenues - Intragovernmental	—	—	3,028	—	—	587,881	—	—	—	(317,189)	273,720
Earned Revenues - Other than Intragovernmental	—	—	320,011	—	—	54,594	—	—	164	—	374,769
Subtotal Earned Revenue	—	—	323,039	—	—	642,475	—	—	164	(317,189)	648,489
Subtotal Net Cost of Operation	\$ —	\$ —	\$ 8,198,889	\$ —	\$ —	\$ 18,290	\$ 11,101	\$ —	\$ 2,187,557	\$ (16,554)	\$ 10,399,283
<b>Major Program 4: Grants</b>											
Gross Cost - Intragovernmental	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 24,401	\$ 240,389	\$ —	\$ (16,187)	\$ 248,603
Gross Cost - Other than Intragovernmental	—	—	—	—	—	—	606,650	4,445,632	—	—	5,052,282
Subtotal Gross Costs	—	—	—	—	—	—	631,051	4,686,021	—	(16,187)	5,300,885
Earned Revenues - Intragovernmental	—	—	—	—	—	—	(612)	37,075	—	(16,187)	20,276
Earned Revenues - Other than Intragovernmental	—	—	—	—	—	—	3	—	—	—	3
Subtotal Earned Revenue	—	—	—	—	—	—	(609)	37,075	—	(16,187)	20,279
Subtotal Net Cost of Operation	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 631,660	\$ 4,648,946	\$ —	\$ —	\$ 5,280,606
<b>Major Program 5: Executive Oversight and Enterprise Technology</b>											
Gross Cost - Intragovernmental	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 443,983	\$ —	\$ —	\$ (47,809)	\$ 396,174
Gross Cost - Other than Intragovernmental	—	—	—	—	—	—	1,687,279	—	—	—	1,687,279
Subtotal Gross Costs	—	—	—	—	—	—	2,131,262	—	—	(47,809)	2,083,453
Earned Revenues - Intragovernmental	—	—	—	—	—	—	684,697	—	—	(47,809)	636,888
Earned Revenues - Other than Intragovernmental	—	—	—	—	—	—	526,611	—	—	—	526,611
Subtotal Earned Revenue	—	—	—	—	—	—	1,211,308	—	—	(47,809)	1,163,499
Subtotal Net Cost of Operation	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 919,954	\$ —	\$ —	\$ —	\$ 919,954
<b>Total Net Cost of Operations</b>	<b>\$ 1,593,445</b>	<b>\$ 1,485,031</b>	<b>\$ 8,198,889</b>	<b>\$ 2,565,338</b>	<b>\$ 10,491,409</b>	<b>\$ 18,290</b>	<b>\$ 8,279,328</b>	<b>\$ 4,648,946</b>	<b>\$ 4,245,965</b>	<b>\$ (16,554)</b>	<b>\$ 41,510,087</b>



**U.S. Department of Justice**  
**Consolidating Statement of Changes in Net Position**  
**For the Fiscal Year Ended September 30, 2022**

Dollars in Thousands	AFF/SADF	ATF	BOP	DEA	FBI	FPI	OBDs	OJP	USMS	Eliminations	Consolidated
<b>Unexpended Appropriations</b>											
<b>Beginning Balances</b>											
Funds from Dedicated Collections	—	—	—	—	—	—	2,877	—	—	—	2,877
Funds from other than Dedicated Collections	—	266,498	2,235,383	611,325	4,235,884	—	3,892,948	6,085,939	561,736	—	17,889,713
Appropriations Received											
Funds from Dedicated Collections	—	—	—	—	—	—	1,356	—	—	—	1,356
Funds from other than Dedicated Collections	—	1,531,071	8,100,000	2,421,522	10,961,895	—	8,186,720	3,142,000	3,728,315	—	38,071,523
Appropriations Transferred-In/Out											
Funds from other than Dedicated Collections	—	(353)	(146,621)	15,318	2,630	—	512,141	34,800	674,198	—	1,092,113
Other Adjustments											
Funds from other than Dedicated Collections	—	—	(94)	(82)	(273)	—	(664,978)	(106,086)	(12)	—	(771,525)
Appropriations Used											
Funds from Dedicated Collections	—	—	—	—	—	—	(5,677)	—	—	—	(5,677)
Funds from other than Dedicated Collections	—	(1,483,891)	(7,815,419)	(2,473,051)	(10,359,149)	—	(7,633,809)	(2,222,535)	(4,369,049)	—	(36,356,903)
<b>Net Change in Unexpended Appropriations</b>											
Funds from Dedicated Collections	—	—	—	—	—	—	(4,321)	—	—	—	(4,321)
Funds from other than Dedicated Collections	—	46,827	137,866	(36,293)	605,103	—	400,074	848,179	33,452	—	2,035,208
<b>Total Unexpended Appropriations: Ending</b>											
Funds from Dedicated Collections	—	—	—	—	—	—	(1,444)	—	—	—	(1,444)
Funds from other than Dedicated Collections	—	313,325	2,373,249	575,032	4,840,987	—	4,293,022	6,934,118	595,188	—	19,924,921
<b>Total All Funds</b>	<b>—</b>	<b>313,325</b>	<b>2,373,249</b>	<b>575,032</b>	<b>4,840,987</b>	<b>—</b>	<b>4,291,578</b>	<b>6,934,118</b>	<b>595,188</b>	<b>—</b>	<b>19,923,477</b>

**U.S. Department of Justice**  
**Consolidating Statement of Changes in Net Position**  
**For the Fiscal Year Ended September 30, 2022 - (continued)**

Dollars in Thousands	AFF/SADF	ATF	BOP	DEA	FBI	FPI	OBDs	OJP	USMS	Eliminations	Consolidated
<b>Cumulative Results of Operations</b>											
<b>Beginning Balances</b>											
<b>Funds from Dedicated Collections</b>	1,290,935	—	149,948	(591,098)	—	—	624,342	9,042,480	—	—	10,516,607
<b>Funds from other than Dedicated Collections</b>	—	106,592	2,430,139	115,524	3,172,663	376,200	(2,531,501)	35,333	409,977	—	4,114,927
Adjustments:											
Changes in Accounting Principles											
Funds from Dedicated Collections	—	—	—	(2,607)	—	—	(5,893)	—	—	—	(8,500)
Funds from other than Dedicated Collections	—	(22,579)	—	(41,772)	(198,195)	—	(15,134)	(162)	(124,754)	—	(402,596)
<b>Beginning Balances, as Adjusted</b>	1,290,935	—	149,948	(593,705)	—	—	618,449	9,042,480	—	—	10,508,107
<b>Funds from Dedicated Collections</b>	—	84,013	2,430,139	73,752	2,974,468	376,200	(2,546,635)	35,171	285,223	—	3,712,331
<b>Funds from other than Dedicated Collections</b>	—	—	—	—	—	—	—	—	—	—	—
Other Adjustments											
Funds from Dedicated Collections	(127,000)	—	—	—	—	—	—	—	—	—	(127,000)
Funds from other than Dedicated Collections	—	—	—	—	—	—	(234,839)	—	—	—	(234,839)
Appropriations Used											
Funds from Dedicated Collections	—	—	—	—	—	—	5,677	—	—	—	5,677
Funds from other than Dedicated Collections	—	1,483,891	7,815,419	2,473,051	10,359,149	—	7,633,809	2,222,535	4,369,049	—	36,356,903
Nonexchange Revenues											
Funds from Dedicated Collections	40,254	—	—	—	—	—	2,459	823,705	—	—	866,418
Funds from other than Dedicated Collections	—	—	420	—	—	—	82	119	—	—	621
Donations and Forfeitures of Cash and Cash Equivalents											
Funds from Dedicated Collections	1,328,670	—	—	—	—	—	36,229	—	—	—	1,364,899
Funds from other than Dedicated Collections	—	—	—	—	—	—	275	—	—	—	275
Transfers-In/Out Without Reimbursement											
Funds from Dedicated Collections	(2,450)	—	—	—	—	—	(13,583)	(585,000)	—	—	(601,033)
Funds from other than Dedicated Collections	—	8,722	—	12,719	201,125	—	296,040	—	4,187	—	522,793
Donations and Forfeitures of Property											
Funds from Dedicated Collections	420,818	—	—	—	—	—	—	—	—	—	420,818
Imputed Financing (Note 19)											
Funds from Dedicated Collections	2,808	—	6,230	16,231	—	—	14,058	—	—	—	39,327
Funds from other than Dedicated Collections	—	48,896	326,765	71,457	552,821	22,928	169,981	5,317	52,550	(15,798)	1,234,917
Other											
Funds from Dedicated Collections	—	—	—	—	—	—	(8)	—	—	—	(8)
Funds from other than Dedicated Collections	—	—	(50)	—	(11,902)	—	(84)	—	—	—	(12,036)
<b>Net Cost of Operations</b>	(1,383,543)	—	13,904	(38,027)	—	—	(119,786)	(2,510,860)	—	—	(4,038,312)
<b>Funds from Dedicated Collections</b>	—	(1,529,661)	(8,318,636)	(2,512,951)	(10,983,363)	(29,157)	(8,477,855)	(2,212,489)	(4,356,024)	15,798	(38,404,338)
<b>Funds from other than Dedicated Collections</b>	—	—	—	—	—	—	—	—	—	—	—
<b>Net Change in Cumulative Results of Operations</b>	279,557	—	20,134	(21,796)	—	—	(74,954)	(2,272,155)	—	—	(2,069,214)
Funds from Dedicated Collections	—	11,848	(176,082)	44,276	117,830	(6,229)	(612,591)	15,482	69,762	—	(535,704)
Funds from other than Dedicated Collections	—	—	—	—	—	—	—	—	—	—	—
<b>Cumulative Results of Operations: Ending</b>	1,570,492	—	170,082	(615,501)	—	—	543,495	6,770,325	—	—	8,438,893
Funds from Dedicated Collections	—	95,861	2,254,057	118,028	3,092,298	369,971	(3,159,226)	50,653	354,985	—	3,176,627
Funds from other than Dedicated Collections	—	—	—	—	—	—	—	—	—	—	—
<b>Total All Funds</b>	<b>1,570,492</b>	<b>95,861</b>	<b>2,424,139</b>	<b>(497,473)</b>	<b>3,092,298</b>	<b>369,971</b>	<b>(2,615,731)</b>	<b>6,820,978</b>	<b>354,985</b>	<b>—</b>	<b>11,615,520</b>
<b>Net Position</b>	1,570,492	—	170,082	(615,501)	—	—	542,051	6,770,325	—	—	8,437,449
<b>Funds from Dedicated Collections</b>	—	409,186	4,627,306	693,060	7,933,285	369,971	1,133,796	6,984,771	950,173	—	23,101,548
<b>Funds from other than Dedicated Collections</b>	—	—	—	—	—	—	—	—	—	—	—
<b>Net Position - Total</b>	<b>1,570,492</b>	<b>409,186</b>	<b>4,797,388</b>	<b>77,559</b>	<b>7,933,285</b>	<b>369,971</b>	<b>1,675,847</b>	<b>13,755,096</b>	<b>950,173</b>	<b>—</b>	<b>31,538,997</b>

**U.S. Department of Justice**  
**Consolidating Statement of Changes in Net Position**  
**For the Fiscal Year Ended September 30, 2021**

Dollars in Thousands	AFF/SADF	ATF	BOP	DEA	FBI	FPI	OBDs	OJP	USMS	Eliminations	Consolidated
<b>Unexpended Appropriations</b>											
<b>Beginning Balances</b>											
Funds from Dedicated Collections	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 2,877	\$ —	\$ —	\$ —	\$ 2,877
Funds from other than Dedicated Collections	\$ —	\$ 219,087	\$ 1,837,208	\$ 555,331	\$ 3,948,889	\$ —	\$ 3,848,899	\$ 5,644,260	\$ 565,372	\$ —	\$ 16,619,046
Appropriations Received											
Funds from other than Dedicated Collections	\$ —	\$ 1,483,887	\$ 8,135,375	\$ 2,386,263	\$ 10,493,786	\$ —	\$ 7,378,655	\$ 2,486,900	\$ 3,682,609	\$ —	\$ 36,047,475
Appropriations Transferred-In/Out											
Funds from other than Dedicated Collections	\$ —	\$ (1,721)	\$ (33,755)	\$ 15,642	\$ 1,786	\$ —	\$ 370,532	\$ 46,356	\$ 567,639	\$ —	\$ 966,479
Other Adjustments											
Funds from other than Dedicated Collections	\$ —	\$ —	\$ (100)	\$ (121)	\$ (80,150)	\$ —	\$ (34,598)	\$ (133,146)	\$ (100)	\$ —	\$ (248,215)
Appropriations Used											
Funds from other than Dedicated Collections	\$ —	\$ (1,434,755)	\$ (7,703,345)	\$ (2,345,790)	\$ (10,128,427)	\$ —	\$ (7,670,540)	\$ (1,958,431)	\$ (4,253,784)	\$ —	\$ (35,495,072)
<b>Net Change in Unexpended Appropriations</b>											
Funds from other than Dedicated Collections	\$ —	\$ 47,411	\$ 398,175	\$ 55,994	\$ 286,995	\$ —	\$ 44,049	\$ 441,679	\$ (3,636)	\$ —	\$ 1,270,667
<b>Total Unexpended Appropriations: Ending</b>											
Funds from Dedicated Collections	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 2,877	\$ —	\$ —	\$ —	\$ 2,877
Funds from other than Dedicated Collections	\$ —	\$ 266,498	\$ 2,235,383	\$ 611,325	\$ 4,235,884	\$ —	\$ 3,892,948	\$ 6,085,939	\$ 561,736	\$ —	\$ 17,889,713
<b>Total All Funds</b>	<b>\$ —</b>	<b>\$ 266,498</b>	<b>\$ 2,235,383</b>	<b>\$ 611,325</b>	<b>\$ 4,235,884</b>	<b>\$ —</b>	<b>\$ 3,895,825</b>	<b>\$ 6,085,939</b>	<b>\$ 561,736</b>	<b>\$ —</b>	<b>\$ 17,892,590</b>

**U.S. Department of Justice**  
**Consolidating Statement of Changes in Net Position**  
**For the Fiscal Year Ended September 30, 2021 - (continued)**

Dollars in Thousands	AFF/SADF	ATF	BOP	DEA	FBI	FPI	OBDs	OJP	USMS	Eliminations	Consolidated
<b>Cumulative Results of Operations</b>											
<b>Beginning Balances</b>											
Funds from Dedicated Collections	\$ 1,458,470	\$ —	\$ 77,614	\$ (520,681)	\$ —	\$ —	\$ 469,723	\$ 11,412,781	\$ —	\$ —	\$ 12,897,907
Funds from other than Dedicated Collections	\$ —	\$ 111,515	\$ 2,692,665	\$ 167,208	\$ 3,128,710	\$ 371,661	\$ (2,055,479)	\$ 20,064	\$ 355,076	\$ —	\$ 4,791,420
Other Adjustments											
Funds from other than Dedicated Collections	\$ —	\$ —	\$ —	\$ —	\$ (1)	\$ —	\$ —	\$ —	\$ (5)	\$ —	\$ (6)
Appropriations Used											
Funds from other than Dedicated Collections	\$ —	\$ 1,434,755	\$ 7,703,345	\$ 2,345,790	\$ 10,128,427	\$ —	\$ 7,670,540	\$ 1,958,431	\$ 4,253,784	\$ —	\$ 35,495,072
Nonexchange Revenues											
Funds from Dedicated Collections	\$ 5,811	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 454	\$ 775,638	\$ —	\$ —	\$ 781,903
Funds from other than Dedicated Collections	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 23	\$ 96	\$ —	\$ —	\$ 119
Donations and Forfeitures of Cash and Cash Equivalents											
Funds from Dedicated Collections	\$ 1,027,671	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 43,040	\$ —	\$ —	\$ —	\$ 1,070,711
Funds from other than Dedicated Collections	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ (2)	\$ —	\$ —	\$ —	\$ (2)
Transfers-In/Out Without Reimbursement											
Funds from Dedicated Collections	\$ (3,410)	\$ —	\$ 131	\$ —	\$ —	\$ —	\$ —	\$ (445,000)	\$ —	\$ —	\$ (448,279)
Funds from other than Dedicated Collections	\$ —	\$ 1,254	\$ (131)	\$ 17,030	\$ 110,747	\$ —	\$ 61,627	\$ (278)	\$ 65	\$ —	\$ 190,314
Donations and Forfeitures of Property											
Funds from Dedicated Collections	\$ 393,144	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 393,144
Imputed Financing (Note 19)											
Funds from Dedicated Collections	\$ 2,694	\$ —	\$ 6,406	\$ 14,762	\$ —	\$ —	\$ 13,513	\$ —	\$ —	\$ —	\$ 37,375
Funds from other than Dedicated Collections	\$ —	\$ 44,099	\$ 298,946	\$ 65,655	\$ 307,636	\$ 22,829	\$ 168,750	\$ 5,027	\$ 47,022	\$ (16,554)	\$ 943,410
Other											
Funds from Dedicated Collections	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 4	\$ —	\$ —	\$ —	\$ 4
Funds from other than Dedicated Collections	\$ —	\$ —	\$ —	\$ —	\$ (11,447)	\$ —	\$ (24)	\$ —	\$ —	\$ —	\$ (11,471)
<b>Net Cost of Operations</b>											
Funds from Dedicated Collections	\$ (1,593,445)	\$ —	\$ 65,797	\$ (85,179)	\$ —	\$ —	\$ 97,608	\$ (2,700,939)	\$ —	\$ —	\$ (4,216,158)
Funds from other than Dedicated Collections	\$ —	\$ (1,485,031)	\$ (8,264,686)	\$ (2,480,159)	\$ (10,491,409)	\$ (18,290)	\$ (8,376,936)	\$ (1,948,007)	\$ (4,245,965)	\$ 16,554	\$ (37,293,929)
<b>Net Change in Cumulative Results of Operations</b>											
Funds from Dedicated Collections	\$ (167,535)	\$ —	\$ 72,334	\$ (70,417)	\$ —	\$ —	\$ 154,619	\$ (2,370,301)	\$ —	\$ —	\$ (2,381,300)
Funds from other than Dedicated Collections	\$ —	\$ (4,923)	\$ (262,526)	\$ (51,684)	\$ 43,953	\$ 4,539	\$ (476,022)	\$ 15,269	\$ 54,901	\$ —	\$ (676,493)
<b>Cumulative Results of Operations: Ending</b>											
Funds from Dedicated Collections	\$ 1,290,935	\$ —	\$ 149,948	\$ (591,098)	\$ —	\$ —	\$ 624,342	\$ 9,042,480	\$ —	\$ —	\$ 10,516,607
Funds from other than Dedicated Collections	\$ —	\$ 106,592	\$ 2,430,139	\$ 115,524	\$ 3,172,663	\$ 376,200	\$ (2,531,501)	\$ 35,333	\$ 409,977	\$ —	\$ 4,114,927
Total All Funds	\$ 1,290,935	\$ 106,592	\$ 2,580,087	\$ (475,574)	\$ 3,172,663	\$ 376,200	\$ (1,907,159)	\$ 9,077,813	\$ 409,977	\$ —	\$ 14,631,534
<b>Net Position</b>											
Funds from Dedicated Collections	\$ 1,290,935	\$ —	\$ 149,948	\$ (591,098)	\$ —	\$ —	\$ 627,219	\$ 9,042,480	\$ —	\$ —	\$ 10,519,484
Funds from other than Dedicated Collections	\$ —	\$ 373,090	\$ 4,665,522	\$ 726,849	\$ 7,408,547	\$ 376,200	\$ 1,361,447	\$ 6,121,272	\$ 971,713	\$ —	\$ 22,004,640
Net Position - Total	\$ 1,290,935	\$ 373,090	\$ 4,815,470	\$ 135,751	\$ 7,408,547	\$ 376,200	\$ 1,988,666	\$ 15,163,752	\$ 971,713	\$ —	\$ 32,524,124

**U.S. Department of Justice**  
**Combining Statement of Custodial Activity**  
**For the Fiscal Year Ended September 30, 2022**

Dollars in Thousands	AFF/SADF	ATF	BOP	DEA	FBI	FPI	OBDs	OJP	USMS	Combined
<b>Total Custodial Revenue</b>										
<b>Sources of Cash Collections</b>										
Federal Debts, Fines, Penalties and Restitution	\$ —	\$ 94	\$ —	\$ 19,825	\$ 3,082	\$ —	\$ 4,355,794	\$ —	\$ —	\$ 4,378,795
Fees and Licenses	—	106,040	—	15,000	—	—	—	—	—	121,040
Miscellaneous	—	283	414	—	—	—	—	—	4,297	4,994
<b>Total Cash Collections</b>	<b>\$ —</b>	<b>\$ 106,417</b>	<b>\$ 414</b>	<b>\$ 34,825</b>	<b>\$ 3,082</b>	<b>\$ —</b>	<b>\$ 4,355,794</b>	<b>\$ —</b>	<b>\$ 4,297</b>	<b>\$ 4,504,829</b>
<b>Accrual Adjustments</b>										
	—	(266)	—	(510)	(966)	—	2,083,645	—	—	2,081,903
<b>Total Custodial Revenue</b>	<b>\$ —</b>	<b>\$ 106,151</b>	<b>\$ 414</b>	<b>\$ 34,315</b>	<b>\$ 2,116</b>	<b>\$ —</b>	<b>\$ 6,439,439</b>	<b>\$ —</b>	<b>\$ 4,297</b>	<b>\$ 6,586,732</b>
<b>Disposition of Collections</b>										
<b>Transferred to Federal Agencies</b>										
Government Printing Office	—	—	—	—	—	—	(7)	—	—	(7)
The Judiciary	—	—	—	—	—	—	(109,186)	—	—	(109,186)
U.S. Department of Agriculture	—	—	—	—	—	—	(45,948)	—	—	(45,948)
U.S. Department of Commerce	—	—	—	—	—	—	(10,720)	—	—	(10,720)
U.S. Department of the Interior	—	—	—	—	—	—	(585,035)	—	—	(585,035)
U.S. Department of Justice	—	—	—	—	—	—	(554,680)	—	—	(554,680)
U.S. Department of Labor	—	—	—	—	—	—	(31,242)	—	—	(31,242)
Pension Benefit Guaranty Corporation	—	—	—	—	—	—	(106)	—	—	(106)
U.S. Postal Service	—	—	—	—	—	—	(13,327)	—	—	(13,327)
U.S. Department of State	—	—	—	—	—	—	(2,802)	—	—	(2,802)
U.S. Department of the Treasury	—	—	—	—	—	—	(563,964)	—	—	(563,964)
Office of Personnel Management	—	—	—	—	—	—	(35,568)	—	—	(35,568)
Federal Communications Commission	—	—	—	—	—	—	(420)	—	—	(420)
Social Security Administration	—	—	—	—	—	—	(567)	—	—	(567)
Federal Trade Commission	—	—	—	—	—	—	(162,373)	—	—	(162,373)
Smithsonian Institution	—	—	—	—	—	—	(2)	—	—	(2)
U.S. Department of Veterans Affairs	—	—	—	—	—	—	(25,435)	—	—	(25,435)
General Services Administration	—	—	—	—	—	—	(1,435)	—	—	(1,435)
National Science Foundation	—	—	—	—	—	—	(1,755)	—	—	(1,755)
Federal Deposit Insurance Corporation	—	—	—	—	—	—	(128)	—	—	(128)
National Endowment For the Humanities	—	—	—	—	—	—	(14)	—	—	(14)
Railroad Retirement Board	—	—	—	—	—	—	(452)	—	—	(452)
Environmental Protection Agency	—	—	—	—	—	—	(314,173)	—	—	(314,173)
U.S. Department of Transportation	—	—	—	—	—	—	(4,496)	—	—	(4,496)
U.S. Department of Homeland Security	—	—	—	—	—	—	(244,157)	—	—	(244,157)
Agency for International Development	—	—	—	—	—	—	(312)	—	—	(312)
Small Business Administration	—	—	—	—	—	—	(8,270)	—	—	(8,270)
U.S. Department of Health and Human Services	—	—	—	—	—	—	(1,202,178)	—	—	(1,202,178)
United States Intl Development Finance Corporation	—	—	—	—	—	—	(33)	—	—	(33)
National Aeronautics and Space Administration	—	—	—	—	—	—	(4,070)	—	—	(4,070)
Export-Import Bank of the United States	—	—	—	—	—	—	(1,411)	—	—	(1,411)
U.S. Department of Housing and Urban Development	—	—	—	—	—	—	(26,952)	—	—	(26,952)
U.S. Department of Energy	—	—	—	—	—	—	(7,109)	—	—	(7,109)
U.S. Department of Education	—	—	—	—	—	—	(21,526)	—	—	(21,526)
Commodities Futures Trading Commission	—	—	—	—	—	—	(88)	—	—	(88)
Corporation of National & Community Services	—	—	—	—	—	—	(2,205)	—	—	(2,205)
Federal Reserve Board	—	—	—	—	—	—	(6)	—	—	(6)
Treasury General Fund	—	(99,688)	—	(34,825)	(3,082)	—	(164,782)	—	(4,297)	(306,674)
U.S. Department of Defense	—	—	—	—	—	—	(94,339)	—	—	(94,339)
Transferred to the Public	—	—	—	—	—	—	(277,574)	—	—	(277,574)
(Increase)/Decrease in Amounts Yet to be Transferred	—	—	(414)	510	966	—	(1,809,334)	—	—	(1,808,272)
Increase/(Decrease) in Refunds Payable and Other Liabilities	—	(6,463)	—	—	—	—	—	—	—	(6,463)
Retained by the Reporting Entity	—	—	—	—	—	—	(111,258)	—	—	(111,258)
<b>Total Disposition Of Collections</b>	<b>—</b>	<b>(106,151)</b>	<b>(414)</b>	<b>(34,315)</b>	<b>(2,116)</b>	<b>—</b>	<b>(6,439,439)</b>	<b>—</b>	<b>(4,297)</b>	<b>(6,586,732)</b>
<b>Net Custodial Activity</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>

**U.S. Department of Justice**  
**Combining Statement of Custodial Activity**  
**For the Fiscal Year Ended September 30, 2021**

Dollars in Thousands	AFF/SADF	ATF	BOP	DEA	FBI	FPI	OBDs	OJP	USMS	Combined
<b>Total Custodial Revenue</b>										
<b>Sources of Cash Collections</b>										
Federal Debts, Fines, Penalties and Restitution	\$ —	\$ 121	\$ —	\$ 10,867	\$ 1,391	\$ —	\$ 7,817,114	\$ —	\$ —	\$ 7,829,493
Fees and Licenses	—	93,878	—	15,000	—	—	—	—	—	108,878
Miscellaneous	—	281	27	—	—	—	—	—	352	660
<b>Total Cash Collections</b>	<b>\$ —</b>	<b>\$ 94,280</b>	<b>\$ 27</b>	<b>\$ 25,867</b>	<b>\$ 1,391</b>	<b>\$ —</b>	<b>\$ 7,817,114</b>	<b>\$ —</b>	<b>\$ 352</b>	<b>\$ 7,939,031</b>
<b>Accrual Adjustments</b>	<b>—</b>	<b>(26)</b>	<b>—</b>	<b>(76)</b>	<b>1,855</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1,753</b>
<b>Total Custodial Revenue</b>	<b>\$ —</b>	<b>\$ 94,254</b>	<b>\$ 27</b>	<b>\$ 25,791</b>	<b>\$ 3,246</b>	<b>\$ —</b>	<b>\$ 7,817,114</b>	<b>\$ —</b>	<b>\$ 352</b>	<b>\$ 7,940,784</b>
<b>Disposition of Collections</b>										
<b>Transferred to Federal Agencies</b>										
The Judiciary	—	—	—	—	—	—	(89,232)	—	—	(89,232)
U.S. Department of Agriculture	—	—	—	—	—	—	(87,945)	—	—	(87,945)
U.S. Department of Commerce	—	—	—	—	—	—	(9,230)	—	—	(9,230)
U.S. Department of the Interior	—	—	—	—	—	—	(568,102)	—	—	(568,102)
U.S. Department of Justice	—	—	—	—	—	—	(203,482)	—	—	(203,482)
U.S. Department of Labor	—	—	—	—	—	—	(655)	—	—	(655)
U.S. Postal Service	—	—	—	—	—	—	(32,115)	—	—	(32,115)
U.S. Department of State	—	—	—	—	—	—	(138)	—	—	(138)
U.S. Department of the Treasury	—	—	—	—	—	—	(649,229)	—	—	(649,229)
Office of Personnel Management	—	—	—	—	—	—	(15,542)	—	—	(15,542)
Federal Communications Commission	—	—	—	—	—	—	(3,908)	—	—	(3,908)
Social Security Administration	—	—	—	—	—	—	(484)	—	—	(484)
Federal Trade Commission	—	—	—	—	—	—	(150,506)	—	—	(150,506)
U.S. Department of Veterans Affairs	—	—	—	—	—	—	(169,423)	—	—	(169,423)
Equal Employment Opportunity Commission	—	—	—	—	—	—	(4,839)	—	—	(4,839)
General Services Administration	—	—	—	—	—	—	(14,892)	—	—	(14,892)
National Science Foundation	—	—	—	—	—	—	(334)	—	—	(334)
Federal Deposit Insurance Corporation	—	—	—	—	—	—	(4)	—	—	(4)
National Endowment For the Humanities	—	—	—	—	—	—	(1)	—	—	(1)
Railroad Retirement Board	—	—	—	—	—	—	(206)	—	—	(206)
Environmental Protection Agency	—	—	—	—	—	—	(1,073,923)	—	—	(1,073,923)
U.S. Department of Transportation	—	—	—	—	—	—	(6,310)	—	—	(6,310)
U.S. Department of Homeland Security	—	—	—	—	—	—	(151,990)	—	—	(151,990)
Agency for International Development	—	—	—	—	—	—	(6,951)	—	—	(6,951)
Small Business Administration	—	—	—	—	—	—	(11,361)	—	—	(11,361)
U.S. Department of Health and Human Services	—	—	—	—	—	—	(1,234,546)	—	—	(1,234,546)
United States Intl Development Finance Corporation	—	—	—	—	—	—	(130)	—	—	(130)
National Aeronautics and Space Administration	—	—	—	—	—	—	(1,732)	—	—	(1,732)
Export-Import Bank of the United States	—	—	—	—	—	—	(1,142)	—	—	(1,142)
U.S. Department of Housing and Urban Development	—	—	—	—	—	—	(117,398)	—	—	(117,398)
U.S. Department of Energy	—	—	—	—	—	—	(202,757)	—	—	(202,757)
U.S. Department of Education	—	—	—	—	—	—	(10,729)	—	—	(10,729)
Commodities Futures Trading Commission	—	—	—	—	—	—	(288)	—	—	(288)
Corporation of National & Community Services	—	—	—	—	—	—	(42)	—	—	(42)
Federal Reserve Board	—	—	—	—	—	—	(4)	—	—	(4)
Treasury General Fund	—	(90,445)	—	(25,867)	(1,391)	—	(2,619,571)	—	(352)	(2,737,626)
U.S. Department of Defense	—	—	—	—	—	—	(136,523)	—	—	(136,523)
<b>Transferred to the Public</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(256,130)</b>	<b>—</b>	<b>—</b>	<b>(256,130)</b>
(Increase)/Decrease in Amounts Yet to be Transferred	—	—	(27)	76	(1,855)	—	233,428	—	—	231,622
Increase/(Decrease) in Refunds Payable and Other Liabilities	—	(3,809)	—	—	—	—	—	—	—	(3,809)
Retained by the Reporting Entity	—	—	—	—	—	—	(218,748)	—	—	(218,748)
<b>Total Disposition Of Collections</b>	<b>—</b>	<b>(94,254)</b>	<b>(27)</b>	<b>(25,791)</b>	<b>(3,246)</b>	<b>—</b>	<b>(7,817,114)</b>	<b>—</b>	<b>(352)</b>	<b>(7,940,784)</b>
<b>Net Custodial Activity</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>

## Payment Integrity Information Act Reporting

The Payment Integrity Information Act of 2019 requires agencies to annually report certain information on improper payments in their AFR, such as actions taken to address recovery auditor recommendations. In recent years, OMB has been collecting improper payments data not required to be reported in the AFR, such as data on recovery activities, fraud, and risk assessment, through an annual data call and publishing the data on [PaymentAccuracy.gov](https://paymentaccuracy.gov). The Department's FY 2022 data can be found on [DOJ Payment Integrity](#).<sup>1</sup>

## Civil Monetary Penalty Adjustment

As required by the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, the Department presents the most recent information available as of FY 2022.

### Bureau of Alcohol, Tobacco, Firearms, and Explosives

Bureau of Alcohol, Tobacco, Firearms and Explosives						
Statutory Authority (U.S.C. Citation)	Penalty (Name or Description)	Year Enacted	Latest year of adjustment (via statute or regulation)	Current Penalty Level (\$ Amount or Range)	Sub-Agency / Bureau / Unit	Location for Penalty Update Details
18 U.S.C. 922(t)(5)	Brady Law - Nat'l Instant Criminal Check System; PL 103-159, sec. 102(b)	1993	2022	\$ 9,491	Alcohol Tobacco, Firearms, and Explosives (ATF)	Federal Register / Vol. 87, No. 89 / Monday, May 9, 2022 / Rules and Regulations
18 U.S.C. 924(p)	Child Safety Lock Act, PL 109-92, sec. 5(c)(2)(B) Secure gun storage or safety device, violation	2005	2022	\$ 3,471	Alcohol, Tobacco, Firearms, and Explosives (ATF)	Federal Register / Vol. 87, No. 89 / Monday, May 9, 2022 / Rules and Regulations

### Civil Division

Civil Division						
Statutory Authority (U.S.C. Citation)	Penalty (Name or Description)	Year Enacted	Latest year of adjustment (via statute or regulation)	Current Penalty Level (\$ Amount or Range)	Sub-Agency / Bureau / Unit	Location for Penalty Update Details
12 USC 1833a(b)(1)	Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) Violation	1989	2022	\$ 2,202,123	Civil Division	Federal Register / Vol. 87, No. 89 / Monday, May 9, 2022 / Rules and Regulations
12 U.S.C. 1833a(b)(2)	FIRREA Violation (continuing)	1989	2022	\$ 2,202,123	Civil Division	Federal Register / Vol. 87, No. 89 / Monday, May 9, 2022 / Rules and Regulations
12 U.S.C. 1833a(b)(2)	FIRREA Violation (continuing)	1989	2022	\$ 11,010,620	Civil Division	Federal Register / Vol. 87, No. 89 / Monday, May 9, 2022 / Rules and Regulations
22 U.S.C. 2399b(a)(3)(A)	Foreign Assistance Act Fraudulent Claim for Assistance	1968	2022	\$ 6,396	Civil Division	Federal Register / Vol. 87, No. 89 / Monday, May 9, 2022 / Rules and Regulations
31 U.S.C. 3729(a)	False Claims Act Violations	1986	2022	Min \$12,537, Max \$25,076	Civil Division	Federal Register / Vol. 87, No. 89 / Monday, May 9, 2022 / Rules and Regulations
31 U.S.C. 3802(a)(1)	Program Fraud Civil Remedies Act Violations Involving False Claim (per claim)	1986	2022	\$ 12,537	Civil Division	Federal Register / Vol. 87, No. 89 / Monday, May 9, 2022 / Rules and Regulations
31 U.S.C. 3802(a)(2)	Program Fraud Civil Remedies Act Violation Involving False Statement (per statement)	1986	2022	\$ 12,537	Civil Division	Federal Register / Vol. 87, No. 89 / Monday, May 9, 2022 / Rules and Regulations
40 U.S.C. 123(a)(1)(A)	Federal Property and Administrative Services Act Violation Involving Surplus Government Property	1949	2022	\$ 6,396	Civil Division	Federal Register / Vol. 87, No. 89 / Monday, May 9, 2022 / Rules and Regulations
41 U.S.C. 8706(a)(1)(B)	Anti-Kickback Act Violation Involving Kickbacks (per occurrence)	1986	2022	\$ 25,076	Civil Division	Federal Register / Vol. 87, No. 89 / Monday, May 9, 2022 / Rules and Regulations

<sup>1</sup> <https://paymentaccuracy.gov>

## Civil Division (continued)

Civil Division						
Statutory Authority (U.S.C. Citation)	Penalty (Name or Description)	Year Enacted	Latest year of adjustment (via statute or regulation)	Current Penalty Level (\$ Amount or Range)	Sub-Agency / Bureau / Unit	Location for Penalty Update Details
18 U.S.C. 2723(b)	Driver's Privacy Protection Act of 1994 Prohibition on Release and Use of Certain Personal Information from State Motor Vehicle Records - Substantial Non-compliance (per violation)	1994	2022	\$ 9,250	Civil Division	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
18 U.S.C. 216(b)	Ethics Reform Act of 1989 Penalties for Conflict of Interest Crimes	1989	2022	\$ 110,107	Civil Division	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
41 U.S.C. 2105(b)	Office of Federal Procurement Policy Act Violation by an organization	1988	2022	\$ 115,054	Civil Division	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
41 U.S.C. 2105(b)	Office of Federal Procurement Policy Act Violation by an organization	1988	2022	\$ 1,150,533	Civil Division	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
42 U.S.C. 5157(d)	Disaster Relief Act Violation	1974	2022	\$ 14,536	Civil Division	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
18 U.S.C. 248(c)(2)(B)(i)	Freedom of Access to Clinic Entrances Act of 1994 Nonviolent physical obstruction, first order	1994	2022	\$ 18,444	Civil Division	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
18 U.S.C. 248(c)(2)(B)(ii)	Freedom of Access to Clinic Entrances Act of 1994 Nonviolent physical obstruction, subsequent	1994	2022	\$ 27,750	Civil Division	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
18 U.S.C. 248(c)(2)(B)(i)	Freedom of Access to Clinic Entrances Act of 1994 Other violation, first order	1994	2022	\$ 27,750	Civil Division	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
18 U.S.C. 248(c)(2)(B)(ii)	Freedom of Access to Clinic Entrances Act of 1994 Other violation, subsequent order	1994	2022	\$ 46,252	Civil Division	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
42 U.S.C. 3614(d)(1)(C)(i)	Fair Housing Act of 1968, as amended in 1988. PL 100-430 First violation	1988	2022	\$ 115,054	Civil Division	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
42 U.S.C. 3614(d)(1)(C)(ii)	Fair Housing Act of 1968, as amended in 1988; PL 100-430 Subsequent violation	1988	2022	\$ 230,107	Civil Division	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
42 U.S.C. 12188(b)(C)(i)	Americans With Disabilities Act; PL 101-336 Public accommodations for individuals with disabilities, first order	1990	2022	\$ 103,591	Civil Division	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
42 U.S.C. 12188(b)(C)(ii)	Americans With Disabilities Act; PL 101-336 Public accommodations for individuals with disabilities, subsequent order	1990	2022	\$ 207,183	Civil Division	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
50 U.S.C. App. 597(b)(3)	Service members Civil Relief Act First violation	2010	2022	\$ 69,554	Civil Division	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
50 U.S.C. App. 597(b)(3)	Service members Civil Relief Act Subsequent violation	2010	2022	\$ 139,109	Civil Division	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations

## Criminal Division

Civil Division						
Statutory Authority (U.S.C. Citation)	Penalty (Name or Description)	Year Enacted	Latest year of adjustment (via statute or regulation)	Current Penalty Level (\$ Amount or Range)	Sub-Agency / Bureau / Unit	Location for Penalty Update Details
18 U.S.C. 983(h)H1)	Civil Asset Forfeiture Reform Act of 2000; PL 106-105 Frivolous Assertion of Claim	2000	2022	Min \$397, Max \$7,948	Criminal Division	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
18 U.S.C. 1956(b)	Money Laundering Control Act of 1986; PL 99-570, Title I, Subtitle H	1986	2022	\$ 25,076	Criminal Division	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations



## Drug Enforcement Administration

Civil Division						
Statutory Authority (U.S.C. Citation)	Penalty (Name or Description)	Year Enacted	Latest year of adjustment (via statute or regulation)	Current Penalty Level (\$ Amount or Range)	Sub-Agency / Bureau / Unit	Location for Penalty Update Details
21 U.S.C. 844a(a)	Anti-Drug Abuse Act of 1988 Possession of small amounts of controlled substances	1988	2022	\$ 23,011	Drug Enforcement Administration	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
21 U.S.C. 961(1)	Controlled Substance Import Export Act Drug abuse, import or export	1970	2022	\$ 79,950	Drug Enforcement Administration	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
21 U.S.C. 842(c)(1)(A)	Controlled Substances Act, PL 90-513 Violations of 842(a) - other than (5), (10), (16), and (17) - Prohibited acts re: controlled substances (per violation)	1970	2022	\$ 72,683	Drug Enforcement Administration	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
21 U.S.C. 842(c)(1)(B)(i)	Controlled Substances Act, PL 90-513 Violations of 842(a)(5), (10), and (17) - Prohibited acts re: controlled substances	1998	2022	\$ 16,864	Drug Enforcement Administration	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
21 U.S.C. 842(c)(1)(B)(ii)	Support for Patients and Communities Act, PL 115-211 Violations of 842(b)(ii) - Failures re: opioids to report suspicious orders; maintain effective controls; review most recent information provided by Atty Gen.	2018	2022	\$ 109,374	Drug Enforcement Administration	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
21 U.S.C. 842(c)(1)(C)	Controlled Substances Act, PL 90-513 Violation of 825(e) by importer, exporter, manufacturer, or distributor - False labeling of anabolic steroids; PL 113-260	2014	2022	\$ 582,457	Drug Enforcement Administration	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
21 U.S.C. 842(c)(1)(D)	Controlled Substances Act, PL 90-513 Violation of 825(e) at the retail level - False labeling of anabolic steroids; PL 113-260	2014	2022	\$ 1,165	Drug Enforcement Administration	Federal Register / Vol. 85, No. 119 / Friday, June 19, 2020 / Rules and Regulations
21 U.S.C. 842(c)(2)(C)	Controlled Substances Act, PL 90-513 Violation of 842(a)(11) by a business - Distribution of laboratory supply with reckless disregard; PL 104-237	1996	2022	\$ 436,809	Drug Enforcement Administration	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
21 U.S.C. 842(c)(2)(D)	Support for Patients and Communities Act, PL 115-211 Violations of 842(a)(5), (10) and (17) by a registered manufacturer or distributor of opioids. Failures re: opioids to report suspicious orders; maintain effective controls; review most recent information provided by Atty Gen.	2018	2022	\$ 546,867	Drug Enforcement Administration	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
21 U.S.C. 856(d)	Illicit Drug Anti-Proliferation Act of 2003 Maintaining drug-involved premises; PL 108-21	2003	2022	\$ 402,786	Drug Enforcement Administration	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations

## Executive Office for Immigration Review

Immigration-Related Penalties						
Statutory Authority (U.S.C. Citation)	Penalty (Name or Description)	Year Enacted	Latest year of adjustment (via statute or regulation)	Current Penalty Level (\$ Amount or Range)	Sub-Agency / Bureau / Unit	Location for Penalty Update Details
8 U.S.C. 1324a(e)(4)(A)(i)	Immigration Reform and Control Act of 1986 Unlawful employment of aliens, first order	1986	2022	Min \$627, Max \$5,016	Executive Office for Immigration Review	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
8 U.S.C. 1324a(e)(4)(A)(ii)	Immigration Reform and Control Act of 1986 Unlawful employment of aliens, second order	1986	2022	Min \$5,016, Max \$12,537	Executive Office for Immigration Review	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
8 U.S.C. 1324a(e)(4)(A)(iii)	Immigration Reform and Control Act of 1986 Unlawful employment of aliens, subsequent order	1986	2022	Min 7,523, Max \$25076	Executive Office for Immigration Review	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
8 U.S.C. 1324a(e)(5)	Immigration Reform and Control Act of 1986 Paperwork violation	1986	2022	Min \$252, Max \$2,507	Executive Office for Immigration Review	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
8 U.S.C. 1324a (note)	<i>Immigration Reform and Control Act of 1986; PL 104-208, sec. 403(a)(4)(C)(ii)</i> Failure to notify DHS of employee's employment eligibility	1996	2022	Min \$874, Max \$1,746	Executive Office for Immigration Review	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
8 U.S.C. 1324a(g)(2)	Immigration Reform and Control Act of 1986; PL 99-603 Violation/prohibition of indemnity bonds	1986	2022	\$2,507	Executive Office for Immigration Review	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
8 U.S.C. 1324b(g)(2)(B)(iv)(I)	Immigration Reform and Control Act of 1986; PL 101-649, sec. 536(a) Unfair immigration-related employment practices, first order	1990	2022	Min \$517, Max \$4,144	Civil Rights Division	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
8 U.S.C. 1324b(g)(2)(B)(iv)(II)	Immigration Reform and Control Act of 1986; PL 101-649, sec. 536(a) Unfair immigration-related employment practices, second order	1990	2022	Min \$5,144, Max \$10,360	Civil Rights Division	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
8 U.S.C. 1324b(g)(2)(B)(iv)(III)	Immigration Reform and Control Act of 1986; PL 101-649, sec. 536(a) Unfair immigration-related employment practices	1990	2022	Min \$6,215, Max \$20,719	Civil Rights Division	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
8 U.S.C. 1324b(g)(2)(B)(iv)(IV)	Immigration Reform and Control Act of 1986; PL 101-649, sec. 536(a) Unfair immigration-related employment practices, document abuse	1990	2022	Min \$207, Max \$2,072	Civil Rights Division	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
8 U.S.C. 1324c(d)(3)(A)	Immigration Reform and Control Act of 1986; PL 101-649, sec. 536(a) Document fraud, first order -- for violations described in USC 1324c(a)(1)-(4)	1990	2022	Min \$517, Max \$4,144	Executive Office for Immigration Review	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
8 U.S.C. 1324c(d)(3)(B)	Immigration Reform and Control Act of 1986; PL 101-649, sec. 536(a) Document fraud, subsequent order -- for violations described in USC 1324c(a)(1)-(4)	1990	2022	Min \$4,144, Max \$10,360	Executive Office for Immigration Review	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
8 U.S.C. 1324c(d)(3)(A)	Immigration Reform and Control Act of 1986; PL 104-208, sec. 212(a)(5) Document fraud, first order -- for violations described in USC 1324c(a)(5)-(6)	1996	2022	Min \$438, Max \$3,494	Executive Office for Immigration Review	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations
8 U.S.C. 1324c(d)(3)(B)	Immigration Reform and Control Act of 1986; PL 104-208, sec. 212(a)(5) Document fraud, subsequent order -- for violations described in USC 1324c(a)(5)-(6)	1996	2022	Min \$3,494, Max \$8,736	Executive Office for Immigration Review	Federal Register / Vol. 87, No. 89 /Monday, May 9, 2022 / Rules and Regulations

## Federal Bureau of Investigation

Immigration-Related Penalties						
Statutory Authority (U.S.C. Citation)	Penalty (Name or Description)	Year Enacted	Latest year of adjustment (via statute or regulation)	Current Penalty Level (\$ Amount or Range)	Sub-Agency / Bureau / Unit	Location for Penalty Update Details
49 U.S.C. 30505(a)	National Vehicle Title Identification System; PL 103-272(1)(e)	1994	2022	\$1,850	Federal Bureau of Investigation	Federal Register / Vol. 87, No. 89 / Monday, May 9, 2022 / Rules and Regulations

## Office of Justice Programs

Immigration-Related Penalties						
Statutory Authority (U.S.C. Citation)	Penalty (Name or Description)	Year Enacted	Latest year of adjustment (via statute or regulation)	Current Penalty Level (\$ Amount or Range)	Sub-Agency / Bureau / Unit	Location for Penalty Update Details
42 U.S.C. 3789g(d)	Omnibus Crime State and Local CHRI Systems - Right to Privacy Violation and Safe Streets Act State and Local CHRI Systems - Right to Privacy Violation	1979	2022	\$31,980	Office of Justice Programs	Federal Register / Vol. 87, No. 89 / Monday, May 9, 2022 / Rules and Regulations

## Grants Programs

Pursuant to the OMB Uniform Guidance in 2 C.F.R. § 200.343(b), recipients of grants and cooperative agreements must liquidate all obligations incurred under their awards within 90 days after the end of the period of performance, unless the awarding agency authorizes an extension or program-specific statutes specify a different liquidation period.

As required by OMB Circular A-136, *Financial Reporting Requirements*, DOJ is required to:

1. Disclose the number of awards and balances for which closeout has not yet occurred, but for which the period of performance has elapsed by 2 years or more prior to September 30, 2022; and
2. Provide a brief narrative of the progress made over the past year compared to the previous year's report, challenges preventing closeout of awards reported, and actions to be taken to close awards reported.

Three DOJ grant-making components report information under this guidance: Office of Justice Programs (OJP), Office on Violence Against Women (OVW), and Office of Community Oriented Policing Services (COPS).

The table below presents, for each DOJ's grant-making component that had zero dollar balances and undisbursed obligations for expired grant awards as of September 30, 2022, for which closeout has not yet occurred, but for which the period of performance has elapsed by two years or more prior to September 30, 2022.

### DOJ Grant Programs: Summary of Expired, but not Closed Grants/Cooperative Agreements

For the Fiscal Year Ended September 30, 2022 (Dollars in Thousands)

DOJ Component	Category	2-3 Years - FYs 2019-2020	4-5 Years - FYs 2018-2019	More than 5 Years - Before FY 2017
<b>OJP</b>	Number of Grants/ Cooperative Agreements with Zero Dollar Balances	9	1	0
	Number of Grants/ Cooperative Agreements with Undisbursed Balances	214	47	10
	<b>OJP Total Amount of Undisbursed Balances</b>	<b>\$13,760</b>	<b>\$3,485</b>	<b>\$3,676</b>
<b>COPS</b>	Number of Grants/ Cooperative Agreements with Zero Dollar Balances	15	1	0
	Number of Grants/ Cooperative Agreements with Undisbursed Balances	43	0	0
	<b>COPS Total Amount of Undisbursed Balances</b>	<b>\$3,430</b>	<b>\$100</b>	<b>\$—</b>
<b>OVW</b>	Number of Grants/ Cooperative Agreements with Zero Dollar Balances	23	10	1
	Number of Grants/ Cooperative Agreements with Undisbursed Balances	57	40	4
	<b>OVW Total Amount of Undisbursed Balances</b>	<b>\$3,444</b>	<b>\$5,002</b>	<b>\$543</b>
<b>DOJ Total Amount of Undisbursed Balances</b>		<b>\$20,634</b>	<b>\$8,587</b>	<b>\$4,219</b>

## Closeout Challenges

The COPS Office has made significant progress in closeouts in FY 2022, closing over 350 awards. Additionally, since last year's report, the COPS Office has resolved closeouts for 16 of the 17 awards representing a difference of \$545. Consistent with last year's submission regarding technical difficulties (internal/external) in the new grant management systems, a significant increase is reflected in the 2-3 year category. The COPS office continues to prioritize closeouts to include resolving financial reconciliation and compliance issues.

OJP made significant progress over the past year closing more than half of the awards reported on the prior year's report and de-obligating more than 97 percent of the undisbursed balances. Awards under review continue to be a challenge for OJP to close. OJP will continue to review expired awards and conduct outreach with grantees and program offices to close awards.

For OVW, technical improvements to JustGrants enabled OVW to close out a larger number of awards during FY 2022 than the previous year. However, staffing issues and new and unresolved system issues continue to impede OVW's ability to promptly close out awards. OVW anticipates that recent increased staffing and continued system improvements during FY 2023 will support OVW in progressing towards its goal of closing out all awards in a timely manner.

## Climate Related Financial Risk

In January 2021, the President signed Executive Order 14008 requiring major Federal agencies to develop an adaptation plan to address their most significant climate risks and vulnerabilities. These Climate Adaptation and Resilience Plans were released in October 2021. The Department's 2021 Climate Adaptation and Resilience Plan can be found here: [DOJ Climate Adaptation and Resilience Plan](#).<sup>2</sup>

As outlined in Executive Order 14057, dated December 2021, major Federal agencies are required to implement the actions identified in their October 2021 Climate Adaptation and Resilience Plans and provide annual updates on progress made. The Department's 2022 Climate Adaptation Progress Report can be found here: [DOJ Climate Adaptation Progress Report](#).<sup>3</sup>

Additional information related to DOJ performance data and FY 21 OMB scorecard for efficient Federal operations and management can be found here: [DOJ Performance Data](#) <sup>4</sup> | [DOJ Scorecard](#).<sup>5</sup>

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<sup>2</sup> <https://www.sustainability.gov/pdfs/doj-2021-cap.pdf>

<sup>3</sup> <https://www.sustainability.gov/pdfs/doj-2022-cap.pdf>

<sup>4</sup> <https://www.sustainability.gov/doj.html#apd>

<sup>5</sup> <https://www.sustainability.gov/doj.html#omb>

# U.S. DEPARTMENT OF JUSTICE

APPENDIX  
(UNAUDITED)



## **APPENDIX: Office of the Inspector General Analysis and Summary of Actions Necessary to Close the Report**

The Office of the Inspector General (OIG) provided a draft of the Independent Auditors' Report to the Department of Justice (Department). The Department's response is incorporated in the Exhibit of the Independent Auditors' Report of this final report. In response to the Independent Auditors' Report, the Department concurred with the recommendations and discussed the actions it will implement in response to the finding. As a result, the status of the report is resolved. The following provides the OIG analysis of the response and summary of actions necessary to close the report.

### **Recommendations:**

- 1. The Department and BOP continue to recruit individuals with relevant financial management and/or accounting skills, and train existing resources on financial management standards, concepts, policies, and procedures. (New)**

Resolved. Management concurred with this recommendation. Management stated in its response that actions have been initiated based on implementation of the DOJ Strategic Plan Strategic Goal 1: Uphold the Rule of Law Objective 1.2: Promote Good Government by updating internal guidance, best practices, and policies related to outreach, recruitment, and hiring. The Department and BOP will continue recruitment of individuals with accounting and financial management skills. The BOP will enhance the training of those individuals in the areas of internal control, transaction processing, and financial statement preparation and review.

This recommendation can be closed when subsequent annual financial statement audit testing verifies that internal controls over financial reporting are designed, implemented, and operating effectively.

- 2. The BOP perform a robust analysis of changes to internal control conditions including an analysis of business and accounting operations; and prepare a sufficient response to those changes through revisions to the internal control system. (New)**

Resolved. Management concurred with this recommendation. Management stated in its response that the BOP will continue to review the internal control environments to support design and implementation of an improved internal control system.

This recommendation can be closed when subsequent annual financial statement audit testing verifies that management performed a sufficient analysis of changes to internal control conditions including an analysis of business and accounting operations and responded with sufficient revisions to the internal control system.

- 3. The BOP finalize information needed to perform processes and controls and create system-generated reports with necessary information to execute controls, including processing data into quality information to support the internal controls system and communicate quality information within the organization to enable authorized personnel to perform key roles, address risks, and support the internal control system. (New)**

Resolved. Management concurred with this recommendation. Management stated in its response that the BOP will continue to develop, enhance, and document its processes and

procedures necessary to execute effective internal controls. The BOP will assess critical reports necessary to support validation of effective financial controls and ensure key personnel are properly trained to perform key roles, address risks, and support the internal control system.

This recommendation can be closed when subsequent annual financial statement audit testing verifies that management has finalized the analysis of information needed and created timely and accurate reports with relevant data to execute controls.

- 4. The Department design and implement a control for the Department and the components to monitor and evaluate significant changes to operations or financial reporting processes that will identify and respond to financial reporting risks, such as the adoption of new accounting policies and procedures, and implementations and conversions of financially relevant systems. (Updated)**

Resolved. Management concurred with this recommendation. Management stated in its response that the Department and BOP will assess and implement controls to address reporting risks associated with changes to accounting standards and implementation of new systems.

This recommendation can be closed when subsequent annual financial statement audit testing verifies that management has designed and implemented a control to monitor and evaluate significant changes to operating or financial reporting processes that will identify and respond to financial reporting risks.