



U.S. Department of Justice

United States Marshals Service

Office of Congressional Affairs

Washington, DC 20530-1000

April 3, 2015

The Honorable Charles E. Grassley
Chairman
Committee on the Judiciary
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

This responds to your letter to Director Hylton dated March 18, 2015 regarding allegations of misuse of the Assets Forfeiture Fund (AFF) resources by the Asset Forfeiture Division (AFD) within the United States Marshals Service (USMS). More specifically, your letter suggests misuse of AFF resources on office renovations and furnishings and misuse of funds provided for Joint Law Enforcement Operations (JLEO). We value the opportunity to answer your questions and appreciate the additional time you provided in order to fully research and report on events which occurred as long ago as 2008.

Crystal Mall 4

In 2009, AFD moved its offices to Crystal Mall 4 in Arlington, Virginia to accommodate a USMS headquarters space expansion of the Judicial Security mission. The USMS worked closely with the General Services Administration (GSA) in the design and construction of the required build out of this GSA-leased space. GSA approved and authorized the build out, which met standards set forth in the GSA lease agreement. These renovations were incorporated into the GSA build out pursuant to standard terms of the lease agreement for all interior finishing. Finishing work, including millwork, painting, staining, and wall coverings, cost approximately \$23,800. The approvals for the build out were in compliance with USMS internal controls at the time.

As to your specific questions, AFD did purchase a multi-purpose conference table for its large conference room from the lowest offeror in a competitive procurement. AFD utilizes this table for meetings and trainings because it is equipped to accommodate 16 local area network connections so that multiple users can simultaneously connect to the network for efficient interactive computer-application training sessions. The conference room table, including installation of the noted technical capabilities, cost approximately \$22,000 (including shipping).

As to window treatments, those initially provided in the existing office space blocked out all light when closed. Unfortunately, this design was not conducive to the structure of AFD's office space, which contains a number of cost-effective cubicles sharing the available windows. As a result, AFD engaged in a competitive procurement process to change the window

treatments to a type that would allow natural light into the office even when the shades are closed. Again, AFD chose the lowest offer in the competitive procurement process, spending approximately \$12,300 total for 128 roller shades to enhance employee working conditions and productivity through this alteration.

Likewise, AFD engaged in a competitive procurement process and selected the lowest offer received to purchase framed prints for the entire office space at a total cost of approximately \$3,200. AFD also purchased a metal Asset Forfeiture Academy (AFA) sign for approximately \$2,000, which hangs in a conference room. Other renovation and design features such as molding and wall coverings were also competitively bid and are part of the total project costs noted above.

In December 2016, the USMS headquarters is scheduled to relocate to new office space as directed by GSA because the majority of the current leases will expire at that time. The new space will reduce USMS' overall square footage and will consolidate its several current leases into a single lease. This move will save \$9 million in rent annually totaling \$145 million in cost savings over the 15-year lease period. Fixtures such as millwork, wall coverings and window shades, will remain in place when the AFD vacates its current space. Removable items, however, such as the framed prints and furniture—including the conference table noted above—will be re-used by USMS or excessed to GSA for use by the Department or other federal agencies. The new AFD offices in the USMS headquarters building will include standardized finishes with a similar/uniform appearance for all divisions/offices throughout the building. The new USMS headquarters location and lease terms were selected through GSA's competitive bidding process and the build out of the new space will adhere to requirements outlined in the GSA lease.

The Asset Forfeiture Training Academy

The Asset Forfeiture Training Academy (AFA) is co-located within the Southern District of Texas' Asset Forfeiture Unit (S/TX AFU) for greater consolidation and efficiency. By locating the Academy within the S/TX AFU, students benefit from on-the-job training provided by experienced staff in both office and field settings. The cost to establish this specialized training facility and educational resources was approximately \$1,780,600, including all construction, equipment, and furnishings.

The facility is located in a downtown Houston high-rise office building. It is also equipped with an audio/visual system, which is utilized for presentations and video-teleconferencing capabilities during training. As a result of the radiant heat and light, the rooms required a temperature and light control solution. The chosen solution was a remote controlled two shade window system that can regulate temperature and light. This system was included in the build-out of the AFA using the standard GSA reimbursable work agreement. The total cost of the window system, including integration within the audio/visual system, was approximately \$29,000, which was the lowest bid in the competitive procurement process. The fully integrated audio/visual and teleconference system, which includes the window shades, has an annual service plan cost of approximately \$10,700, which provides for technical support of the audio-visual conferencing system.

The granite mentioned in your letter is limited to five small surfaces and one built-in reception desk, all totaling approximately 57 square feet. We are unable to provide the total cost because it was included in the overall contractor build out cost — again, bid competitively and procured by GSA pursuant to standard terms of the lease agreement for interior finishing.

You also requested information on asset forfeiture trainings at the AFA. In FY 2014, during a time of government-wide fiscal restraints and limited government travel for trainings, the facility was used for 33.5 days of training. The agenda consisted of courses on the Business of Forfeiture, Financial Investigator Orientation and Information Sessions, Contracting Officer Representative training, and Best Practices for BankScan training. We have enclosed the agendas for the FY 2014 events. From FY 2011 through FY 2014, the AFA trained over 1,800 students at the facility.

The USMS strives to be good stewards of the appropriations entrusted to us as we carry out our important law enforcement mission. The approvals for the items raised in your letter occurred as far back as 2008 and were compliant with the USMS' internal controls at the time and the senior USMS officials who approved the questioned expenditures retired years ago. The current Associate Director for Administration has implemented additional approval safeguards for furniture and equipment expenditures across USMS headquarters functions, including AFD, while USMS reviews internal controls and Agency-wide policies.

Joint Law Enforcement Operations Funds

JLEO funds are provided from the AFF to support state and local task force operations. No JLEO funds have been used to directly support any USMS employee. JLEO funds are used, however, to pay a share of circuit and database service costs proportional to the usage of those services by state and local law enforcement.

The invoices for the circuit costs do not provide sufficient detail to determine which charges are attributed to federal versus state and local cases. Therefore, we relied on historical analysis to determine that approximately 80% of circuit costs are associated with state and local investigative cases. Accordingly, the Department approved, as a permissible use of the JLEO funding, 80% of the circuit and database costs that are attributed to state and local investigations.

Likewise, for the Commercial-Assisted Legal Research (CALR) databases, which are the most widely used tools for investigators in developing information to locate and arrest fugitives, the USMS monitors the number of monthly searches for cases that are non-federal. Of the approximately 270,000 monthly database searches, 79.4% are run for state or local cases, regardless of whether they are adopted by the USMS or retained by the state or local agency. Accordingly, the Department approved use of JLEO funds for the same proportional share to cover the costs of CALR databases.

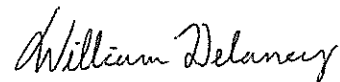
The Presidential Threat Protection Act of 2000 (Public Law 106-544) resulted in the implementation of seven USMS Regional Fugitive Task Forces. The USMS also is the lead agency in 60 district-led fugitive task forces across the nation. These regional and district task forces, consisting of federal, state, and local law enforcement officers, locate and apprehend

thousands of dangerous fugitives charged with drug-related offenses associated with the possession, transportation and distribution of illegal narcotics.

The only “non-JLEO AFF allocations” used to support fugitive task forces is the funding classified as “Awards for Information.” These allocations occur because state and local law enforcement agencies generally do not have sufficient resources to provide such funding. These funds are used to pay for information leading to the location and apprehension of fugitives wanted for drug offenses. Over the last two and a half fiscal years, the USMS has transferred \$26,000 of non-JLEO/AFF funds to the District of Arizona for payments under the Awards for Information funding for drug cases.

Thank you for bringing these matters to our attention and for your support of the USMS and law enforcement in general. If you have further questions, please contact me at (202) 307-9220, or at William.Delaney@usdoj.gov.

Sincerely,



William Delaney
Chief of Congressional and Public Affairs
United States Marshals Service

Enclosures

cc: The Honorable Patrick J. Leahy
Ranking Member, Committee on the Judiciary
United States Senate

The Honorable Michael E. Horowitz
Inspector General
Office of the Inspector General
U.S Department of Justice