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REPORT BY THE



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# Comptroller General

OF THE UNITED STATES

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## The Interstate Organized Crime Index

The Law Enforcement Assistance Administration has provided grants to develop a computerized register of persons involved in organized crime. Although funds awarded for the Interstate Organized Crime Index have been spent, the system is not in operation -- only a manual system is being maintained -- and the information being computerized has not been verified.

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GAO believes future intelligence-gathering projects, because they are secretive and sensitive, need to be more closely monitored than was the Index.

This report was prepared at the request of two Subcommittees of the House of Representatives.



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COMPTROLLER GENERAL OF THE UNITED STATES  
WASHINGTON, D.C. 20548

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To the Chairmen of the Subcommittee  
on Crime,  
House Committee on the Judiciary and  
Subcommittee on Oversight and  
Investigations,  
House Committee on Interstate and  
Foreign Commerce

*HSED2504*  
*HSE 02305*

This report, prepared as a result of a joint request from your Subcommittees in May 1978, discusses the Interstate Organized Crime Index. ~~It~~ points out the need for the Law Enforcement Assistance Administration to monitor intelligence-related projects.

We are sending copies of this report to the Director, Office of Management and Budget, and the Attorney General.

*James A. Stacks*

Comptroller General  
of the United States

*Belgs* D I G E S T

The Law Enforcement Assistance Administration has provided grants to develop a computerized register of persons involved in organized crime. Although funds awarded for the Interstate Organized Crime Index have been spent, the system is not in operation--only a manual system is being maintained.

In response to questions about the index by the Chairmen, Subcommittee on Crime, House Committee on the Judiciary, and the Subcommittee on Oversight and Investigations, House Committee on Interstate and Foreign Commerce, GAO reported that:

*FIC* --It is difficult to measure whether the index is directly responsible for increasing the number of indictments, arrests, and convictions. (See pp. 4 to 8.)

--In many cases, contributing member agencies did not provide public record support for entries in the index, although a special condition of the grants required entries to be based on such information. (See pp. 8 to 12.)

--Verifying information stored in the index and discarding outdated and inaccurate data has been primarily the responsibility of each contributing member agency. The grantee said that it would verify the information being computerized, but it has not yet done so. (See pp. 12 to 18.)

--Controls exist to assure that information in the index is provided only to authorized representatives of member agencies. (See pp. 18 and 19.)

*W.C.*  
The Attorney General should require the Law Enforcement Assistance Administration to monitor the project to be sure that updating and verification procedures are done before the system becomes operational. In the future, the operation of other such projects should be closely monitored.

The Chairman of the Law Enforcement Intelligence Unit, in commenting on the draft report, outlined certain steps being taken to verify and update information. He also expressed a willingness to work with any governmental agency, congressional committee, or interested group to insure a proper balance between the interest of law enforcement in fulfilling its responsibilities and the protection of the rights of individuals. (See app. IV.)

Although the Department of Justice was asked in a letter of March 8, 1979, to comment on a draft of the report, its comments were not received as of May 18, 1979. To avoid further delay, GAO issued the report without them.

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ABBREVIATIONS

FBI	Federal Bureau of Investigation
GAO	General Accounting Office
IOCI	Interstate Organized Crime Index
LEAA	Law Enforcement Assistance Administration
LEIU	Law Enforcement Intelligence Unit

## CHAPTER 1

### INTRODUCTION

By letter dated May 26, 1978, the Chairmen of the Subcommittee on Crime, House Committee on the Judiciary, and the Subcommittee on Oversight and Investigations, House Committee on Interstate and Foreign Commerce, asked us to audit the Interstate Organized Crime Index (IOCI). IOCI, although not yet operational, is intended to be a computerized register of persons known to be involved in organized crime. Grants for its development and operation have been awarded by the Law Enforcement Assistance Administration (LEAA).

While developing plans for the review, we met with members of the IOCI Executive Committee, which was the management organization responsible for reviewing and endorsing all significant decisions pertaining to the development and operation of the index. The Executive Committee was concerned that we limit our inquiry to the federally funded portion of its operations, and agreed to cooperate with us only if certain conditions were met. These conditions, which essentially precluded us from having total access to intelligence files, were subsequently discussed with staff members from the Subcommittee on Crime who advised us to proceed with the audit even with the limitations on our access to records. The conditions were discussed in more detail in letters we sent to the Subcommittee Chairmen on August 18, 1978. (See app. II.)

### DEVELOPMENT OF IOCI

Since September 1971, LEAA has awarded eight 1/ grants totaling about \$1.7 million to develop IOCI.

The first grant, of \$200,000, was awarded September 7, 1971, to the California Crime Technological Research Foundation. The grant was to be used to develop, demonstrate, and evaluate a prototype computerized index which would provide 14 State and local intelligence units with on-line

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1/ Seven of the eight grants were discretionary grants awarded directly by LEAA. One was awarded by the Office of Criminal Justice Planning, the California agency responsible for subgranting LEAA block funds.

access to a register of persons known to be active in organized crime.

The data base for the computerized index was to be selected from cards developed by Law Enforcement Intelligence Unit (LEIU) 1/ members, and supplemented by new referrals provided by the Florida Department of Law Enforcement, Minnesota Bureau of Criminal Apprehension, and New Jersey State Police. The index was to be a pointer system identifying agencies holding intelligence files on the subject in question.

Subsequent grants of \$142,224 (March 1972), \$129,552 (January 1973), \$383,145 (June 1973), and \$159,547 (March 1974) were awarded for further prototype development, demonstration, and evaluation; maintaining the index; and developing a plan to implement an operational system.

On September 18, 1974, an award of \$324,018 was made to (1) begin implementing a fully automated on-line system accessible to 125 or more user agencies by remote terminals and (2) maintain an interim system. The interim system consisted of LEIU agencies requesting information by telephone from a central coordination center which manually searched the files and provided information by a return call. The interim system became necessary after efforts to develop the computerized prototype system were terminated in June 1974 because of uncertainties posed by pending Federal security and privacy legislation, and questions raised by LEAA regarding cost effectiveness of the system. A block grant of \$49,991 was awarded by the California Office of Criminal Justice Planning in September 1976 to continue operating the interim system until LEAA and the U.S. Department of Justice decided whether to continue funding the development of a computerized IOCI.

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1/ LEIU, founded in 1956, is an organization whose membership currently consists of about 230 State and local law enforcement agency intelligence units. Its stated purpose is the gathering, recording, investigating, and exchange of confidential criminal information not previously available through regular police communication channels on subjects involved in organized crime. An LEIU card file was adopted as the means of exchanging identifying information on such subjects. Selected information from the LEIU card files is the primary data base for IOCI.



On January 6, 1977, LEAA awarded the final grant for \$299,999. This grant was for (1) maintaining the IOCI interim system by providing data base access to IOCI member agencies by toll-free telephone lines, (2) acquiring the necessary hardware, and (3) implementing a computerized IOCI data base which would serve the IOCI member agencies by the toll-free phone system. A no cost extension until June 30, 1978, was subsequently authorized.

When we started our audit in August 1978, the hardware had been acquired, but the conversion to a computerized IOCI had not been made. The interim system was still operational.

Only 1,300 of an estimated 3,500 subjects had been entered into the computerized system as of August 17, 1978, and that figure had been increased to 2,461 as of January 2, 1979. Based on the currently planned procedures for updating and validating entries into the system (see pp. 17 and 18), the computerized IOCI will not be operational until late 1979 or early 1980. This target date will be about 18 months after expiration of the grant period.

For a more detailed discussion of the origin and development of IOCI, see appendix III.

## CHAPTER 2

### RESULTS OF REVIEW OF THE OPERATION OF IOCI

The two Subcommittees requested that we examine the operations of IOCI to determine

- whether the system is effective with respect to increasing indictments, arrests, and convictions;
- whether nonpublic data were being stored in the IOCI data base;
- the process for verifying information stored in IOCI and for purging inaccurate data from the index; and
- the effectiveness of the controls established to assure that the information contained in IOCI is utilized only by public law enforcement agencies.

Each of these aspects of IOCI's operations is discussed in subsequent sections of this chapter.

Although the funds awarded for IOCI have been spent, a question exists as to whether it will be completed in the manner indicated in the grant application. The computerized IOCI is not operational, although, according to the grant application it was supposed to have been. Also, the grantee was supposed to have verified the information being computerized, but that has not yet been done. LEAA needs to monitor IOCI to make sure that these portions of the project are completed.

We believe intelligence-gathering projects, because they are secretive and sensitive, need to be closely scrutinized. In the future, if LEAA is not prepared to closely monitor such projects, it should not fund them.

#### HOW EFFECTIVE HAS IOCI BEEN?

It is difficult to measure the effectiveness of IOCI in terms of whether its use is directly responsible for increasing the number of indictments, arrests, and convictions, because several sources of information are generally used during the investigative process. How much each source contributes cannot be accurately measured. The LEIU member

agencies that we contacted did not even attempt to keep such records.

One indication of effectiveness, however, is the extent the system is used and how successful it is in supplying information to those who use it. The California Department of Justice measured IOCI effectiveness in terms of usage and "hit" rates, and used the information in its reports to LEAA. A "hit" occurs when the system is able to provide information about the person under inquiry.

The quarterly IOCI progress reports submitted to LEAA show that IOCI has been highly successful. However, our analysis showed the statistics included "hits" from other systems to which the California Department of Justice had access. There were few "hits" on subjects included in IOCI.

For the 18-month period ended June 1978, the California Department of Justice reported that IOCI had received 3,443 subject inquiries and had provided information on 2,336 of them--a "hit" rate of nearly 70 percent.

Such a success rate would indicate that IOCI is highly effective, at least in providing information to local law enforcement agencies on criminal subjects. However, the statistics reported to LEAA in the IOCI grant status reports included "hits" on several other information systems. Our analysis showed that if the reports to LEAA had been limited to IOCI subjects, the hit rate would have been about 2 percent.

The interim IOCI operation includes a manual search of the LEIU cards when the person under inquiry is identified as being an LEIU subject. However, the IOCI Unit within the California Department of Justice offers an additional service to the LEIU member agencies in that it also searches several other information systems to which the Department has access. These systems include various departmental intelligence files, as well as files maintained by other California State agencies.

When a member agency requests information from the IOCI Unit, the clerk records the request on an IOCI request form. According to the clerk, usually only those files requested are searched. For example, if the request is for a subject's criminal history record only, that is all the clerk attempts to obtain for the requester. This information would be obtained from another California Department of Justice system--not from the LEIU cards.

In many cases, the requester only has a name and wants to find out all he/she can about the subject. In such cases, the clerk checks to see if the subject's name is in the Department's criminal intelligence index, which is an alphabetical listing of all persons included in various Department intelligence files. This index includes the names of all LEIU subjects that are in the LEIU card file. If the subject is an LEIU subject, the clerk will pull the LEIU card and give the requester whatever information he/she wanted and/or send the requester a copy of the card.

If the subject's name appears in the criminal intelligence index as a subject in other files, the clerk goes to that information source (the same procedure followed for subjects in the LEIU card system). The clerk also queries, as necessary, other systems such as

- the California Law Enforcement Telecommunications Service (to see if the subject is a fugitive),
- the Department of Motor Vehicles' drivers' record files,
- the Department of Corporation's corporate files,
- the California Department of Justice criminal history files, and
- various other files.

We asked whether the other information systems would be queried when the computerized index was operational. The IOCI project coordinator said that when the IOCI is operational it will be queried immediately and the other searches will still be made, as necessary.

We also asked why an LEIU member agency would request information from IOCI on an LEIU subject when that agency supposedly has its own deck of LEIU cards. The IOCI project coordinator said that the agency may not have an alphabetical cross reference system for its LEIU card file. Also, it may not have its cards updated and wants the latest information.

#### Analysis of IOCI data

We analyzed the data that the California Department of Justice used to develop the statistics for the quarterly progress reports submitted to LEAA during the final grant period from January 1977 to June 1978. We found that the Department counted all requests received by the IOCI Unit

as IOCI requests and credited IOCI with a "hit" if any of the systems queried by the IOCI Unit resulted in a "hit" on a subject.

We reviewed the IOCI request forms for 4 months in 1978 to get an idea of the number of LEIU subjects inquired about during those months. May and June were selected for analysis because, according to the IOCI project coordinator, those were the latest months for which the forms had been filed. We also selected 2 other months--February and April. Following is a comparison of the IOCI usage and "hit" statistics as reported to LEAA and usage and "hit" statistics we determined from the forms reviewed.

Month	Reported to LEAA		Determined by GAO		
	Requests	Hits	Requests	Hits	LEIU Subjects
February	205	151	54	38	4
April	237	171	121	59	1
May	210	122	143	81	2
June	<u>259</u>	<u>187</u>	<u>127</u>	<u>77</u>	<u>3</u>
	<u>911</u>	<u>631</u>	<u>445</u>	<u>255</u>	<u>10</u>

As can be seen, the statistics reported to LEAA are different than those we developed.

Of the 911 requests reported to LEAA, we found 445. We discussed the variance with the IOCI project coordinator. He said the forms we reviewed did not represent all the requests received by the IOCI Unit during those months. He explained that the Unit does not keep all request forms, but only those that may be of further interest to the various intelligence units within the Department's Organized Crime and Criminal Intelligence Branch.

The IOCI project coordinator said the statistics shown in the LEAA grant progress reports are accurate and represent all requests received by the IOCI Unit regardless of whether they are for LEIU subjects. But, he also said that, because many of the request forms have been destroyed, he could not provide us with any documentation to support his figures.

Also, the "hits" differed. Of the 255 "hits" we found, only 10 turned out to be LEIU subjects; the other 245 were from other California files. Five of the 10 LEIU subjects

were already known by the requesting agencies to be LEIU subjects before the information was requested. In four cases the agencies queried IOCI to obtain updated information (if any), and in the fifth case, the agency knew the subject's name but wanted to know his LEIU number.

We asked the coordinator if there could have been additional LEIU subjects identified in the request forms that had been destroyed. He said that requests for information regarding LEIU subjects are generally retained by the IOCI Unit; therefore, he doubted if there would have been more than a dozen requests regarding LEIU subjects during those 4 months.

The project coordinator was not dismayed by the relatively few LEIU subject requests received during the period. He emphasized that when the computerized version of the index is operational and the users see its advantages, its use should increase. He said he expects many of the non-LEIU subjects inquired about under the interim IOCI to later become LEIU subjects and be input into the system.

The coordinator also said the IOCI Unit will continue to search other information files as part of its service to member agencies who use the index. He explained that the computerized IOCI is just one of several tools available to the IOCI Unit.

ARE IOCI ENTRIES SUPPORTED  
BY PUBLIC RECORD INFORMATION?

Although a special condition of the LEAA grants required IOCI entries to be based on public record information, the contributing LEIU member agencies did not provide such documentation to support many of the IOCI data elements in our sample. <sup>1/</sup> In many cases, the agencies did not provide public record support for the key data element--the subject's purported criminal activity. According to the project coordinator, the contributing agencies submitted criminal histories to support more of the criminal activities, but since criminal histories, in most cases, are not public record documents, by law he could not show them to us.

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<sup>1/</sup> Because of limitations on access to intelligence files of contributing member agencies, we could not independently ascertain whether the data elements were based on public record information.

The public record requirement was a special condition placed on the grant by LEAA. Specifically, the condition stated:

"Due to legal considerations relating to the data in this type of system, funding of this project is based upon the contingency that only public record information type of data will be included in the design of the system. If circumstances and developmental efforts indicate that other types of data would benefit the users of the system, LEAA approval must be obtained prior to LEAA's continued support of the project."

"Public record information" was not defined by the grant application or the grant award documents. However, in February 1972, the grantee and LEAA agreed on the following definition of public record information which has been retained throughout subsequent funding of the project: "All documents and records normally available to the public, including newspapers and records completed during all phases of the criminal justice process." The intent of the definition was to exclude unverified data such as tips, rumors, and other unsubstantiated data emanating from intelligence sources.

The LEIU card system is numbered consecutively. At the time of our audit 4,361 numbers had been assigned. Because LEIU does not reuse numbers previously assigned to subjects that have been purged, and because three LEIU member agencies are prohibited by State law or local policy from participating in computerized intelligence systems, the number of LEIU subjects that will be entered into IOCI is estimated to be about 3,500.

To find out whether entries into IOCI are based on public record information, we took a random sample of 200 LEIU cards. This sample size provides a 3 percent chance of error at a 95 percent assurance rate. To obtain it, we used a computer generated list of 300 random numbers. We used 266 random numbers to get the desired sample size of 200 because 40 of the subjects had been purged from the system before our audit (see p. 16 ) and 26 subjects had been submitted by agencies not participating in IOCI.

Of the 200 cards in our sample, 98 had been entered into the computerized IOCI. For the remaining 102 cards, the project coordinator marked the cards to indicate the data elements that would be entered.

The coordinator told us that in deciding what data to enter into IOCI, he makes a judgment as to whether or not the data is supported by public record information. He said that this is particularly true with respect to LEIU subjects submitted prior to December 20, 1975, and not updated since then. The LEIU submittal form up to that time did not require that information based on public record be so indicated.

The coordinator emphasized that his primary goal during the conversion process is to get as many of the LEIU subjects as he can into the IOCI computer. He noted that while he is concerned about the public record requirement of the grant, he is not concerned if some data gets into the computer initially that does not meet the requirement. He said the computer is not yet operational and will not be until an update and verification process is completed. He said this process should assure him that the entries are based on public record information.

According to the grant application, the data was supposed to be updated before being entered into the mini-computer. Specifically, the application stated that:

"The update-validation procedure will require that each agency having submitted information on a subject will review that information for currency, accuracy, and acceptability under the controls for public record type information, confidentially [sic] and security and privacy. Information once reviewed and revised will then pass through the normal screening and review procedures of the zone chairman and forwarded to the IOCI staff for checking and conversion for system entry."

For the 200 subjects in our sample, the contributing LEIU members were asked to provide the public record support for the following data elements on the LEIU card:

- Criminal Activity.
- Aliases.
- Monikers.
- Occupation.
- Public Record Comments.



--Criminal-Oriented Associates (documents showing principal connection with associate(s) and showing criminal orientation).

Sixty-four of the 73 contributing law enforcement agencies in our sample responded to our request. Nine agencies, however, accounting for a total of 23 subject entries, did not. These agencies did not provide us with public record documentation for the following reasons:

--Agency was no longer an LEIU member (12 subjects).

--Agency was temporarily suspended (5 subjects).

--No reason given (6 subjects).

Results of our analysis of the  
public record documentation

Of the 177 IOCI subject entries for which we received some response, only 19 were totally supported with public record information. Documentation for the other 158 subject entries was not sufficient to provide support for all the requested data elements. How well the contributing LEIU member agencies were able to support their IOCI entries is shown below:

All data elements documented	19
Some data elements documented	80
No data elements documented	<u>78</u>
Total responses	<u>177</u>

The subject's criminal activity, the key data element of IOCI, was not always supported by public record information. Only 86 of the 177 entries for which we received a response had criminal activities that were adequately supported. Another eight entries had criminal activities that were partially supported. (A partially supported entry occurs in cases where the subject has multiple criminal activities, only some of which are documented by public record information.)

According to the IOCI project coordinator, more of the criminal activities would have been supported with the documentation submitted by the agencies had he given it to us. He said that while reviewing the documentation submitted to

him, he found many agencies had submitted criminal history information to support the criminal activities. According to him, the criminal histories, in most cases, were not public record documents and by law he could not show them to us.

While acknowledging that criminal history documents are not public information, the coordinator felt that they do provide assurance that the subjects are criminals. He said that criminal history information is a compilation of individual records, such as arrest records, which are public documents.

The inclusion of associates in the index is not mandatory. However, if they are included, they are supposed to be supported by public record information. Accordingly, we requested each contributing agency to furnish us with support for the associates' criminal activity and their association with the principal subject.

There were 539 associates being input into IOCI for the 200 subjects in our sample. We received responses from the agencies on 492 of these, but only 136 were supported with public record information.

WHAT IS THE PROCESS FOR VERIFYING  
INFORMATION IN IOCI AND PURGING  
INACCURATE DATA?

Verifying information stored in IOCI and purging outdated and inaccurate data is primarily the responsibility of each contributing member agency.

Submitting subjects to IOCI

The contributing LEIU member agencies determine who should be included and what information should be submitted. LEIU has developed a form to be used for submitting data on organized crime principals. The form is used for both the LEIU card system and the IOCI.

After a submittal form is completed by a contributing member agency it is sent to its LEIU zone chairman for review. There are four zone chairmen for various areas of the country. The zone chairman basically reviews the form for completeness and for compliance with LEIU entry criteria. No documentation is forwarded with the submittal form. However, the chairman can request support for the various data elements if he feels it is necessary. The two

zone chairmen we visited said they rely almost completely on the integrity of the submitting agency when reviewing the submittal forms.

After the zone chairman has reviewed the LEIU subject submittal form he forwards it to a central coordinating agency for further review and eventual entry into the LEIU card system and the IOCI. The central coordinating agency is the central repository for LEIU. It is an activity of the Organized Crime and Criminal Intelligence Branch of the California Department of Justice.

The primary functions of the central coordinating agency are to facilitate the LEIU Executive Board meetings and to administer the processing of the LEIU cards. Processing LEIU cards includes reviewing subject submittal forms, printing LEIU cards, sending card decks to new members, sending new subject cards to the members, and updating and purging existing cards.

The coordinating agency reviews the submittal forms to assure that entry criteria is followed. Basically, it reviews the forms for completeness rather than for correctness. The head of the agency said if his review raises any questions he can usually clear them up with a phone call to the contributor. He said he relies heavily on the review performed by the zone chairman as well as the integrity of the contributing agency.

According to the head of the coordinating agency, about 15 percent of the submittals are rejected. He said that the main reasons for rejection are questionable criminal activities or incomplete background information. The IOCI project coordinator estimated that most rejections are due to incompleteness. A rejected submittal form is returned either to the zone chairman or directly to the member agency, depending on whether the coordinating agency feels the zone chairman should have detected the problem.

After the coordinating agency has reviewed the submittal forms, the data on forms that were not rejected are printed on LEIU cards and disseminated to the member agencies.

Once the IOCI is operational (all data updated and verified) new subjects will be entered in the index immediately after the central coordinating agency approves their entry in the LEIU card system. A copy of the submittal form will be routed to the IOCI Unit for input into the index.

Currently the data on the submittal forms is printed on LEIU cards. When the IOCI Unit gets to the cards during the data conversion process, the data is entered into the index.

Updating and purging inaccurate  
and outdated information

Outdated LEIU subject data generally are updated or purged at the direction of the contributing law enforcement agencies. In most cases, only the contributing agencies know if data on a subject should be purged. However, the central coordinating agency can determine when data should be updated by merely looking at the last update on the LEIU card.

The central coordinating agency official said he has instigated update requests on occasion. His staff has gone through some sections of the LEIU cards in the file and requested the member agencies to update or purge cards that have not been updated in the previous 2 years. He said, in such cases, he gives the members 90 days to submit the updated card data. If no response is received within the 90 days, the cards are purged from the LEIU system.

The official said update information and the LEIU numbers of purged subjects are passed on to the member agencies through LEIU Bulletins. He said the bulletins are sent out whenever necessary and number as many as 30 per year.

The official said the central coordinating agency and LEIU member agencies function as an association rather than an organization, so it is impossible to force the members to update or purge their individual decks of LEIU cards. He felt this is one reason LEIU is under fire today--cards that the central coordinating agency had directed to be purged were not, and they now are getting into the hands of the press and civil liberties groups. He acknowledged that certain things were included on LEIU cards in the past that cannot be included today.

The head of the Organized Crime and Criminal Intelligence Branch (a member of LEIU) also acknowledged that certain information that used to be in the LEIU system is not anymore. In an article in the Oakland Tribune, a citizens group charged that the LEIU card system included information on political dissidents such as anti-nuclear demonstrators, Vietnam war protestors, black activists, and American Indians. In that same article the branch chief stated that the citizens' group charges were not true. He said that the

group was referring to the 1960s, when a lot of those people were in the files, but that the files have all been purged since 1975 or 1976.

We showed him the article and he remarked that, yes, there had been other than organized crime subjects in the system in the past, but since late 1975, not 1976 (as the article had quoted him), they have been purged. He assumed that the LEIU cards that are surfacing now are those that were purged by LEIU's central coordinating agency but were not removed from some members' card systems.

Analysis of updates and purges in our sample

The LEIU card system and thus the interim IOCI contain outdated information. Some of the LEIU cards in our sample had not been updated in over 20 years. Many subjects have been dead for several years. Our request for the public record documentation for the entries in our sample resulted in many of the contributing agencies requesting that certain subjects be purged. The main reasons given were that the subjects were deceased or of no further interest.

We noted the number of years since the cards in our sample had last been updated. For cards that had never been updated, we measured the time from the original submission date to September 1978. About 46 percent of the cards had not been updated in the last 5 years. Following are the results of our aging analysis:

<u>Years since LEIU data submitted or updated</u>	<u>Number of LEIU cards</u>
0-5	107
5-10	33
10-15	7
15-20	25
20-22	<u>28</u>
Total	<u>200</u>

Twenty-four deceased subjects were included in our sample. Seventeen had been identified during our sample

selection and the other 7 as a result of our request for public record documentation. The contributing agencies who responded to our request identified 19 deceased subjects, 7 of whom were not among the 17 we had already identified. The agencies requested that information on only 11 of the 19 deceased subjects be purged. The other 8 were allowed to remain in the system.

The IOCI project coordinator said deceased subjects are retained in the LEIU/IOCI systems until the contributing member agencies request they be purged. The subjects are often retained because their criminal associates are still of interest to the agencies. According to the coordinator, however, this matter was discussed at recent LEIU meetings and the criteria for keeping deceased subjects in the system may be changed to make justifying their retention more difficult.

As mentioned earlier, 266 random numbers were required to get a sample of 200 LEIU subjects who would become part of IOCI. Forty of the 266 random numbers represented subjects who had been purged from LEIU. When we tried to account for them, the IOCI project coordinator said that he did not maintain records of purged LEIU subjects. When a subject is purged everything pertaining to him is purged, including the contributing agency's request to purge the subject.

We met with the head of the central coordinating agency and tried to account for the purged subjects. This official said no records are kept on purges. The contributing agencies purge requests are not retained. Generally, the official said the word "purge" means destroying all information on a subject.

The official did suggest a possible way of accounting for the purges. He said we could go through the LEIU bulletins that have been issued since 1956. We were told that about 150 bulletins had been issued during the past 5 years, and an unknown number had been issued during the previous 16 or 17 years. He was not sure all the bulletins could be located and emphasized that to go through the bulletins would be a gigantic task.

We also tried to account for purged LEIU subjects during our visits to the contributing LEIU member agencies. Most of the agencies did not keep records of the subjects purged from their LEIU card file.

In addition to the 40 subjects who were purged before our sample selection, another 35 purges were requested as a result of our request for public record documentation. Basically, there were two reasons given for the purge requests: (1) the subjects were deceased and (2) the subjects were of no further interest to the contributing agency.

Update and purge  
procedures for IOCI

According to the project coordinator, the IOCI will be completely updated/purged before it becomes operational. This process will begin sometime after all the LEIU cards are input into the IOCI computer. After the initial update, the index will be updated periodically.

According to the project coordinator, the initial update was to begin around February or March 1979 and take about 9 months. He said they plan to first update the cards that have not been updated in the longest period of time. He is doing this to avoid swamping the agencies with a large number of cards at one time.

The initial update/purge process will work like this. First, the computer will identify all the LEIU cards that have not been updated in over 10 years. A listing will be sent to each of the respective agencies asking that they update their cards. They will be required to submit a new LEIU subject submittal form for each subject updated. The agencies will have 90 days to respond to the request, at which time it will be assumed that those subjects not updated are to be purged.

The same process will be applied to those LEIU cards not updated in over 5 years and 2 years. The 5 year and over cards will be updated after the 90-day period has elapsed for the 10 year and over cards. The same applies to the 2 year and over cards.

The coordinator explained that after the index is operational, an off-line report will be prepared periodically showing the subject data that have not been updated in the past 2 years. He said he does not know how often this report will be prepared. We were subsequently advised that this report would be prepared quarterly.

In our opinion, to help assure that only public record information is included in the operational IOCI, the contributing agency should submit public record support along with the LEIU submittal forms to the zone chairman and central coordinating agency during the initial update phase. The contributing agency should also do this for all subsequent submittals of new subjects or additional information on existing subjects.

ARE THERE CONTROLS TO ASSURE THAT  
ONLY LAW ENFORCEMENT AGENCIES  
RECEIVE IOCI INFORMATION?

Controls exist to assure that information in IOCI is provided only to authorized LEIU representatives. IOCI operates on a call back system, and the IOCI Unit maintains a listing of the names and telephone numbers of all individuals within member units who are authorized to receive information. After information is given to the LEIU member agencies, their guidelines generally govern further dissemination.

When a request for information is received from a member agency, the specifics of the request are recorded on an IOCI request form. After the request information is retrieved, the IOCI clerk returns the information by calling the telephone number that is on record for the LEIU member agency.

To test the system, we analyzed IOCI request forms for 4 months in 1978. Out of 445 requests for information, 56 were from persons other than those shown in the unit's register as being authorized to receive it.

We discussed the results of our analysis with the project coordinator. He said anyone can request information from the IOCI Unit, but that only authorized persons can receive it. He explained that when the IOCI clerk returns the information to the requesting agency, he/she asks for the person shown in the register and asks if the requester should be provided the information. According to the project coordinator, there have been no instances where the requester did not have authorization.

In addition to the call back system, security is tight within the Organized Crime and Criminal Intelligence Branch where the IOCI Unit is housed. All employees wear badges and must go through a security checkpoint to gain access to the Organized Crime and Criminal Intelligence Branch.



Employees of other branches in the California Department of Justice, as well as visitors, are required to have an escort.

The manual card files are kept in a restricted access room by an Organized Crime and Criminal Intelligence Branch clerk. The files are in locked cabinets and only authorized persons are allowed entry. The IOCI computer also has built-in controls--one must know a series of codes to gain access to the computer data. According to the IOCI project coordinator, only he, the programmer, and a few other select persons within the Organized Crime and Criminal Intelligence Branch know the codes.

The controls in existence preclude unauthorized persons from being the primary recipients of IOCI data, but do not prevent information from being disseminated to private groups, utilities, or businesses after it is received. We discussed this matter with officials of member units located in California, Florida, and New Jersey. All stated that IOCI information was not released to groups other than law enforcement agencies. They also noted that their departments had guidelines, regulations, or policies prohibiting such disclosures of intelligence information. Any person caught disclosing information would be disciplined.

It appears to us that it would be difficult to implement formal controls over the secondary distribution of intelligence data and that reliance must be placed on the integrity of individual members.

HAS IOCI BEEN ADEQUATELY  
MONITORED?

We found that LEAA had done little monitoring of the operational aspects of IOCI. LEAA officials responsible for the award and monitoring of the grant said that the special condition requiring all entries to be based on public record information had never been monitored by LEAA. These officials were not aware that the updating procedures described in the grant application had not been followed until we told them. They said that they only monitored expenditures and the acquisition of the necessary equipment and assured themselves that operating and privacy and security manuals mentioned in the grant application were prepared.

## CONCLUSIONS

The question of whether Federal funds should be used to assist States in their intelligence gathering operations has been debated for some time, but in the case of IOCI, the money has already been awarded and spent.

A question still surrounding IOCI, however, is whether it will be completed in the manner indicated in the grant application. Although the grant has expired, the IOCI system is not fully operational. According to the grant application, it was supposed to have been. Also, although the grantee was supposed to have verified the information being computerized, it was not done. According to the project coordinator, the computerized system is not going to become operational until the verification process has been completed. But all that can be said at this point in time is that although we believe verification is necessary, it has not yet been done. We see a need for LEAA to begin to monitor IOCI to make sure these portions of the project are completed.

We believe intelligence-gathering projects, because they are secretive and sensitive, need to be closely scrutinized. IOCI was not. We found no evidence that LEAA had monitored the operations of IOCI to be sure that the terms and conditions of the grant, such as the public record requirement imposed by LEAA, or the update procedures that the grantee said was going to be done in the grant application, were being met. We believe such monitoring would have alerted LEAA to some of the problems discussed in this report and would have put LEAA in a position to have taken immediate action if more significant problems had developed. In the future, if LEAA is not prepared to closely monitor such projects, it should not fund them.

## RECOMMENDATIONS

We recommend that the Attorney General direct the LEAA Administrator to begin monitoring IOCI to assure the updating and verification procedures are done before the computerized IOCI becomes operational.

We also recommend that the Attorney General direct the LEAA Administrator to assure that such projects are more closely scrutinized in the future.

AGENCY COMMENTS

The General Chairman of LEIU commented on our draft report by letter dated April 16, 1979. (See app. IV.)

He noted that the update and verification procedures will be completed before the system is implemented. He stated that:

--LEIU adopted our suggestion to accept all updates, verifications, and new subject submittals only if public record documents are provided with the submittal form.

--The LEIU Executive Board established more exacting guidelines designed to provide a fair balance between protecting an individual's rights and meeting law enforcement needs when dealing with information regarding an individual's potential involvement in criminal activity.

In stating that the index contained no political dossiers, the Chairman pointed out that we found no indication of political dossiers in the 200 randomly selected LEIU cards that were examined.

We believe the Chairman's statement about our findings, although true, must be accepted with a word of caution. We found no indication of political dossiers, but in many cases, the agencies did not provide public record support for the subject's purported criminal activity (see pp. 8 to 12). Without such information, the possibility still exists that the index contains nonpublic data on individuals who may or may not be involved in criminal activities.

The Chairman also noted that LEIU would welcome the opportunity to appear before the Subcommittees to further clarify these issues and expressed a willingness to work with any governmental agency, congressional committee, or interested group to insure that a proper balance remains between the interest of law enforcement in fulfilling its responsibilities and the protection of the rights of individuals.

Although the Department of Justice was asked to comment on a draft of this report by letter dated March 8, 1979, its comments were not received as of May 18, 1979. To avoid further delay, we issued the report without them.

## CHAPTER 3

### SCOPE OF REVIEW

We conducted our review at LEAA and the U.S. Department of Justice, Washington, D.C.; and the Organized Crime and Criminal Intelligence Branch, Division of Law Enforcement, California Department of Justice, Sacramento, California, which is responsible for operating IOCI. We also visited selected LEIU members in California, Florida, and New Jersey. Our review, which was conducted from August 1978 to February 1979, consisted of reviewing applicable grant files and correspondence, interviewing appropriate officials regarding IOCI operations, and selecting and analyzing a sample of IOCI entries. We were not given access to raw intelligence files of LEIU members.

Since the process of converting to the computerized IOCI was just beginning at the time we started our work, our audit was essentially of the interim system, supplemented by a review of the criteria being used to convert the interim data, and statements from project officials as to how the system will operate after conversion is completed.

NINETY-FIFTH CONGRESS

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Congress of the United States  
 Committee on the Judiciary  
 House of Representatives  
 Washington, D.C. 20515  
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May 26, 1978

Mr. Elmer B. Staats  
 Comptroller General of  
 the United States  
 General Accounting Office  
 Washington, D. C. 20548

Dear Mr. Staats:

We have received serious allegations concerning the failure of LEAA to maintain proper controls over its funding of various intelligence-gathering operations on the part of state and local law enforcement agencies.

One system which has generated a great amount of concern is LEAA's series of grants to the Organized Crime and Criminal Intelligence Branch of the California State Department of Justice to construct the Interstate Organized Crime Index (IOCI).

We therefore request that the General Accounting Office undertake a full scale audit of the IOCI system, including but not limited to the following issues:

- a. the selection of a large, random sample from the IOCI to determine if there exists nonpublic data on individuals, or if the names of people engaged in noncriminal or political activities are being stored in the data base;
- b. the examination of a random sample of cases drawn from the computerized IOCI to determine what kind of information exists in their raw

Mr. Elmer B. Staats  
Page Two  
May 26, 1978

intelligence files and if that information is of a noncriminal or political nature;

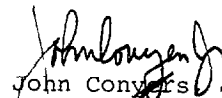
- c. an examination of the process for verifying information stored in the IOCI or in any intelligence file referenced in the IOCI and purging inaccurate data from the Index;
- d. an examination of the effectiveness of the controls established to assure that the information contained in the IOCI (or the information contained in any intelligence files referenced in the Index) is utilized only by public law enforcement agencies and not by private groups, utilities, or businesses;
- e. the effectiveness of the controls, if any, that prevent information about political activities or noncriminal activities from being included in the IOCI or the files of its Law Enforcement Intelligence Unit affiliates;
- f. the determination of whether the IOCI system is effective with regard to increasing the number of indictments, arrests, or convictions directly resulting from law enforcement agencies participation in the IOCI;
- g. an examination of the origin of the proposal to seek federal funds for the IOCI system and of the decision to make federal funds available for the IOCI system, including the identity of those who were responsible for the proposal and for the decision to grant funds.

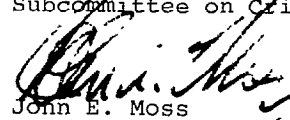
The scope and precise content of this study can be worked out between the staffs of the Subcommittees and GAO. We should like to recommend, however, that those staff members who worked on the FBI Domestic Intelligence Report (GGD-76-50) be assigned to this audit. These investigators already have the necessary experience, and we are informed that the

Mr. Elmer B. Staats  
Page Three  
May 26, 1978

LEAA audit staff, which might otherwise conduct this audit,  
is currently overburdened with other projects.

Sincerely,

  
John Conyers Jr.  
Chairman  
Subcommittee on Crime

  
John E. Moss  
Chairman  
Subcommittee on Oversight  
and Investigations



COMPTROLLER GENERAL OF THE UNITED STATES  
WASHINGTON, D.C. 20548

B-171019

CG8-273

MAY 18 1978

The Honorable John Conyers, Jr. <sup>1/</sup>  
Chairman, Subcommittee on Crime  
Committee on the Judiciary  
House of Representatives

Dear Mr. Chairman:

Your letter of May 26, 1978, written jointly with the Chairman, Subcommittee on Oversight and Investigations, House Committee on Interstate and Foreign Commerce, requested that we undertake an audit of the Interstate Organized Crime Index (IOCI), and address certain issues in that audit.

As indicated in our letter to you of June 9, 1978, the request was forwarded to our General Government Division to develop work plans for the review. In the course of developing plans for the review, representatives of our Office met with the IOCI Executive Committee. The Executive Committee agreed to cooperate with the audit providing certain conditions were met. The conditions, which are summarized below, were discussed with representatives from your Subcommittee staff and we were advised to proceed with our audit.

We agreed with the Executive Committee that our report to you and Congressman Moss, or any other written or oral communication, will not disclose the names of individuals identified in a random sample of the index or identify any IOCI member unit that submitted information about a particular individual.

We also agreed that our audit would be confined to a review of IOCI and the raw intelligence information submitted by member units that support entries in the IOCI data bank. Access to other information in the intelligence files of member units will not be requested. The reasons for this restriction are twofold. First, the Executive Committee advised that it would be unable to cooperate with the review without this understanding. Second, the review will be conducted under the authority provided the Comptroller General under section 521(c) of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (42 U.S.C. 3769). This authorization applies to LEAA-funded projects such as IOCI. The grants involved here, however, do not fund the development, maintenance or computerization of non-IOCI information in the intelligence files of local police departments. The scope of our review will therefore be limited to those aspects of the request that pertain to the IOCI grant, including the information in support of IOCI entries.

<sup>1/</sup> This same letter was sent to the Honorable John E. Moss, Chairman, Subcommittee on Oversight and Investigations, Committee on Interstate and Foreign Commerce, House of Representatives.



B-171019

CG8-273

Finally, we agreed that the IOCI Executive Committee would be given an opportunity to comment on the draft report before it is issued to you and Congressman Moss.

Although we recognize that we will not be able to respond to all aspects of the request, we are hopeful that the information we will obtain during the review will prove useful to the Subcommittee in exercising oversight responsibilities. We will keep your staff apprised of the progress or problems encountered in conducting the review.

Sincerely yours,

*[Handwritten signature]*

Comptroller General  
of the United States

ORIGIN AND DEVELOPMENT OF IOCI

LEAA funded eight grants totaling about \$1.7 million for the prototype demonstration, evaluation and test, interim, and operational phases of the Interstate Organized Crime Index (IOCI) project. Seven were discretionary grants awarded directly by LEAA, and one was a grant awarded by the Office of Criminal Justice Planning, the California agency responsible for subgranting LEAA block funds.

The first of the eight grants was awarded to the California Crime Technological Research Foundation on September 7, 1971, for \$200,000. The California Crime Technological Research Foundation was to coordinate a project under Project SEARCH 1/ for the development, demonstration, and evaluation of a prototype Organized Crime Computerized Central Index which would provide 14 State and local intelligence units with on-line access to the index. The name of the index was later changed to Interstate Organized Crime Index (IOCI).

According to the application for the first grant, several organizations and people were to play key roles during the project. The Project SEARCH group and Law Enforcement Intelligence Unit (LEIU) Executive Board were to jointly make decisions on policy matters, monitor project performance and schedules, and act as the major interface between SEARCH and LEAA. The Michigan State Police were to establish the computerized file, create a teleprocessing system involving 14 LEIU agencies, and provide necessary operating instructions to the users. The California Department of Justice was to convert the LEIU records for input into the data processing center of the Michigan State Police. Additional entries for the index were to be provided by the Florida Department of Law Enforcement, Minnesota Bureau of Criminal Apprehension, and the New Jersey State Police. One private firm, Public Systems, Inc., was to provide technical coordination for the project. The Vice President of Public Systems, Inc., was Director for this project and Project Coordinator for SEARCH.

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1/ Project SEARCH (System for Electronic Analysis and Retrieval of Criminal Histories) was a consortium of representatives of each State, appointed by their respective governors to develop projects to meet the needs of multi-State law enforcement objectives.

ORIGIN OF IOCI PROPOSAL

Before this grant, organized crime had been identified as one of the seven major law enforcement problem areas by the Omnibus Crime Control and Safe Streets Act of 1968. The President's Commission on Law Enforcement and the Administration of Justice had recommended Federal assistance to develop State and regional intelligence systems. Accordingly, in 1969, LEAA planned to develop a model system design for the computerization of organized crime intelligence data.

In April 1969, the LEAA Administrator and one of the Associate Administrators 1/ asked if the FBI would be interested in taking over this project with LEAA funds. The FBI informed LEAA that it had no desire to set up the model system or participate in the project. It noted that

"\*\*\* if the FBI should assume the role as the agency which sets up the model system design, the implication might well be received by the various States to whom it would be furnished that the FBI would be willing to exchange this type of data with them through computers. This we would not want to do under any circumstances because we would lose the security of our information and much of our information might fall into hands of corrupt police."

We were unable to determine exactly when an LEAA official first met with LEIU or Project SEARCH to discuss IOCI. In May 1970, the LEAA Administrator spoke at the LEIU annual conference mentioning possible support for LEIU projects such as for information storage and retrieval systems for intelligence units. The first chairman of the Project SEARCH Organized Crime Task Force (currently Assistant Director, Organized Crime and Criminal Intelligence Branch, California Department of Justice and Project Director for the most recent IOCI grant) said that the same Associate Administrator mentioned earlier approached LEIU during 1971 and suggested that LEIU be the focus for State and local agencies exchanging organized crime information in an

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1/ Public Law 93-83, enacted August 6, 1973; changed the title of this individual's position to Deputy Administrator for Policy Development. This same individual became Administrator of LEAA in September 1974.

automated fashion. This same official said that LEIU did not initially accept the proposal by the LEAA Associate Administrator because LEIU did not want Federal funds if there would be any "strings attached." He said that the Associate Administrator assured LEIU members that there would not be many "strings attached" and that the computerized index would be run by LEIU and the Project SEARCH group.

The grant application was submitted on June 22, 1971, and was reviewed by various officials within LEAA who made varying comments and recommendations regarding it. For example, one official felt that the goals and objectives were compatible with LEAA's program guidelines. Another said that he was not convinced of the project's value and that the project would put the Department of Justice in court within the next 2 years on a weak set of facts. Another stated that the application did not show what substantive value would be obtained from the index and noted that the criteria for the names to be included in the index were terribly loose and ill defined.

The Administrator, in an August 6, 1971, memorandum to the same Associate Administrator stated:

"The objective of the grant must be more clearly, carefully and narrowly defined. Present purpose is stated to be to include in the government register those persons 'known to be active in organized crime activities.' The limiting language should address itself carefully to include this information as is 'public record' information such as would be obtained from public hearings, newspaper accounts, arrest and conviction information and the like, and--specifically--exclude criminal intelligence information from sources such as informants, surveillance, investigators, etc."

On September 7, 1971, the grant was awarded. The Administrator's recommendation on limiting the index to "public record" information was covered by a special condition.

#### SUBSEQUENT GRANT AWARDS

On March 17, 1972, a supplemental award was granted for \$142,224, which extended the award period to October 31, 1972. The basic purpose and operational methods of this

grant were the same as the first grant. The award period was later extended to December 31, 1972, with no additional cost. Another grant for \$129,552 was awarded on January 9, 1973, extending the project to April 30, 1973 (later extended to October 31, 1973). The purpose of this grant was to maintain the project until an operational system could be designed and implemented.

On June 28, 1973, a grant of \$383,145 was awarded to maintain the demonstration and testing mode and to install 10 additional terminals while the system was subjected to

"\*\*\* an exhaustive independent evaluation, to include system design, hardware selection, software needs, organization, etc., and the feasibility of interfacing with a national law enforcement telecommunications system, while maintaining the IOCI requirements of security and privacy."

Project SEARCH and Public Systems, Inc., were not included as participants in the grant. The new project director was the Assistant Director, Organized Crime and Criminal Intelligence Branch, California Department of Justice. The grant, originally scheduled to terminate December 31, 1973, was later extended to March 20, 1974.

(Before the award of this grant, the California Crime Technological Research Foundation had applied for a grant of \$560,849 to begin the development of an operational IOCI system. After a meeting with LEAA officials, the application was withdrawn and revised to reflect LEAA's concerns that an independent evaluation of all aspects of the prototype IOCI and its future development should be conducted "without the pressures of bringing up a fully operational system.")

The final report of the independent evaluation, by Arthur Young and Company, was issued on January 31, 1974. This report recommended an on-line computerized IOCI system with subject inquiry from approximately 125 terminals.

On March 20, 1974, another grant was awarded for \$159,547 extending the evaluation and test phase to June 30, 1974. This grant was to review the independent evaluation of IOCI, develop an implementation plan based on the recommendations of the evaluation, and take steps to implement the developed plan.

During this period, legislation dealing with privacy and security that would have restricted the system recommended by Arthur Young and Company was pending in the Congress. According to the minutes of the IOCI Executive Committee, a LEAA official, in a meeting with the committee, suggested that before submitting a grant application for developing an operational system, a letter should be sent to LEAA outlining IOCI plans and possible alternatives in view of the proposed legislation, and asking for a commitment from LEAA for future funding.

According to the minutes, there was strong reaction from the committee to the LEAA proposal. The minutes noted that it seemed inconceivable after 3 years of LEAA indicating strong support and inferring continued support even in the operational stages, that it now feels that the Committee should reexplain the whole system and purpose of IOCI. It was noted that when LEIU originally opposed IOCI, LEAA supported it; but now that LEIU is strongly committed to IOCI, LEAA seems to be questioning it.

The committee decided to submit a grant application for the redesign and upgrade of the IOCI system.

The resulting May 10, 1974, application was withdrawn on May 28, 1974, after discussion with LEAA officials had indicated that the application did not have enough information. The IOCI Executive Committee decided to terminate the IOCI demonstration project and shut down the automated central index, remote terminals, and telecommunications system as of June 30, 1974. They also requested a no cost extension of the previous grant through December 31, 1974, (subsequently approved by LEAA) to operate an interim system while awaiting the outcome of privacy and security legislation. The interim system consisted of manual indexes created from the computer tapes used in the IOCI prototype system. LEIU members could inquire about a person in the index via toll free telephone lines to the California Department of Justice. 1/

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1/ The Michigan State Police in February 1974 had requested that the existing IOCI prototype system be removed as soon as possible. The request was made because the State was changing its computer system and did not want to reprogram the new equipment for IOCI. Thus it was decided to have the California Department of Justice take over the central index at the time the interim system started.

On September 18, 1974, a grant for \$324,018 was awarded to implement a fully operational on-line system serving at least 125 agencies while maintaining the interim system. No cost extensions changed the grant expiration date from December 31, 1975, to June 30, 1976.

The grant award contained special conditions (1) stating that LEAA support of the project was contingent upon passage of legislation and the promulgation of regulations not unfavorable to the continuation of intelligence systems of this type, and that this contingency applied not only to this grant but to support of the project in future years; (2) requiring the grantee, during the system analysis and design phase of the project, to determine the utility of telephone inquiry of the index and the feasibility of using the National Law Enforcement Telecommunications System as the communication network; and (3) requiring the grantee to examine the state-of-the-art of microprocessors for possible use in the IOCI system.

The California Department of Justice submitted an application in fall 1975 requesting funds to purchase and install equipment according to the design developed during the previous grant. The award was not made because the U.S. Department of Justice Information and Telecommunications Systems Policy Board did not approve it.

#### SYSTEMS POLICY BOARD INVOLVEMENT WITH IOCI

The Department of Justice Information and Telecommunications Systems Policy Board was established in July 1975 to advise the Attorney General on the development of coordinated and compatible information, telecommunications and statistical systems and systems policy. According to a Justice official, the Board's policy decisions are binding on Department of Justice agencies.

The question of LEAA funding of IOCI was discussed at the December 8, 1975, Board meeting. According to the minutes of the meeting, LEAA and the FBI discussed their respective positions. The Criminal Division and the Office of Management and Finance also participated. The minutes indicate that the Chairman recommended, and the Board agreed, to decline without prejudice to endorse further funding of IOCI.

At a January 12, 1976, meeting of the Board, the minutes indicate that LEAA had looked again at costs and program options for further IOCI funding, including a system configuration which would have a terminal only at the central index with the inquiries made and responded to by telephone. The minutes also noted that (1) the LEIU Board of Directors was dismayed and disappointed at the decision regarding further funding and (2) the Deputy Attorney General asked the LEAA Administrator to send information on LEAA's other options to him and the FBI.

After several internal memorandums and other communications, including indications that the FBI might support a modified IOCI, the Deputy Attorney General (Chairman of the Board) decided to reconsider LEAA funding of IOCI in March 1976.

At the August 17, 1976, Board meeting, the Chairman indicated that he and interested parties seemed to have settled on Option 2 of a February 25, 1976, memorandum, subject to further consultations with the FBI and the Office of Management and Finance. Option 2 was use of a mini-computer controlled and operated by the California Department of Justice. Inquiries from member agencies would be made by telephone to a California Department of Justice employee who would query the mini-computer for information.

The most recent grant was awarded to the California Department of Justice on January 6, 1977, for \$299,999. The objectives of the grant were to maintain the IOCI interim system and acquire the necessary hardware to implement a computerized data base which would serve the member agencies by toll free telephone lines. The grant's expiration date, originally December 31, 1977, was extended to June 30, 1978, with no additional funding provided. 1/

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1/ In addition to the grants discussed above which were awarded directly by LEAA, the California Office of Criminal Justice Planning, the agency responsible for subgranting LEAA block grants awarded a grant of \$49,991 to the California Department of Justice in September 1976 to continue the interim system while the Systems Policy Board decided on future funding of IOCI.





## LAW ENFORCEMENT INTELLIGENCE UNIT

April 16, 1979

Mr. Allen R. Voss, Director  
General Government Division  
GAO Building, Room 3866  
441 G Street, N. W.  
Washington, D. C. 20548

Dear Mr. Voss:

Thank you for your letter dated March 8, 1979, in which you enclosed two draft copies of your proposed report to the Chairman of the Subcommittee on Crime, House Committee on the Judiciary, and the Subcommittee on Oversight and Investigations, House Committee on Interstate and Foreign Commerce entitled "Development and Operation of the Interstate Organized Crime Index". The following comments and observations are submitted and as in our agreement at the inception of the audit, it is requested that this response be attached to the Final Report submitted to the above House Committees.

1. Purpose and Intent of the Development and Operation of the Interstate Organized Crime Index:

The purpose of the IOCI grant funding was used to develop, demonstrate and evaluate a prototype computerized index which would provide state and local intelligence units with on line access to a register of persons known to be active in organized criminal activities. The index system is designed to be a pointer system containing only "public record information", identifying agencies holding intelligence files on the subjects in question.

2. Current Status of the Interstate Organized Crime Index:

As indicated throughout the U. S. General Accounting Office's report, the IOCI mini-computer is not yet operational. At the time of the audit the Department of Justice in California and the LEIU Executive Board was still in the process of developing the appropriate system

Mr. Allen R. Voss

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April 16, 1979

controls necessary to comply with the special conditions under the LEAA guidelines. As addressed in the report, there was an obvious need to meet the below listed conditions:

- a. Update and verification of IOCI subjects.
- b. That the subject index be adequately supported by public record documentation.
- c. An established system of purging to insure information is current and prevent the entry of subjects no longer of interest to the law enforcement intelligence community.

The Department of Justice of California and the LEIU Executive Board have maintained the policy and position that the update and verification of the subject index will be completed prior to the dissemination and implementation of the system. In effect, the conduct of the GAO audit was premature and reflects an inquiry or preaudit of a computerized system not yet in effect.

3. File Maintenance Procedures of LEIU/IOCI System:

In review of the findings of the GAO audit report pertaining to the necessity for providing adequate public record information, and the need to improve the methodology for update and purging of subjects contained within the IOCI system, we have adopted a number of the recommendations of the GAO audit team to improve the administrative and accountability control of the system. We have adopted the recommendations that provide that all updates, verifications and new subject submittals will be accepted only if public record documents are provided along with subject information. This policy will insure that the IOCI system is in compliance with the public record data requirement of the LEAA Grant. The LEIU Executive Board additionally revised and implemented more exacting guidelines for the collection, maintenance and dissemination of criminal intelligence. These provisions include that collection and maintenance of the LEIU/IOCI system is in compliance with all

Mr. Allen R. Voss

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applicable federal and state laws and regulations. LEIU member agencies shall not collect information on individuals that support nonpopular causes, collect information merely on the basis of religious or political affiliation and that the system will contain and be limited to information which indicates that the subjects of interest are involved or suspected of being involved with known or suspected criminal activity. These guidelines are designed to bring about a just and equitable balance between the civil rights and liberties of American citizens and the needs of law enforcement to collect and disseminate criminal intelligence on the conduct of persons who may be engaged in systematic criminal activity. (See Attachment)

4. Are There Controls to Assure That Only Law Enforcement Agencies Receive Information?

As indicated in your report, the GAO findings clearly show adequate safeguards exist in dissemination of law enforcement information. Additionally, the California Department of Justice in its function as the Central Coordinating Agency of LEIU and IOCI system operates under the statutory administrative controls provided by the California Information Practices Act, the California Penal Code and the California Government Code. All of these deal with the handling of confidential information establishing rules of conduct for the maintenance of records, provide for civil penalties for unauthorized release of information and direct the California Department of Justice to gather, analyze and store intelligence pertaining to organized crime with an enabling provision to disseminate this information to local, state and federal enforcement agencies.

5. Determination Whether There Exists Non-Public Data on Individuals or if the Names of People Engaged in Non-Criminal or Political Activities are Being Stored in the IOCI Data Base:

The Interstate Organized Crime Index contains no political dossiers. It is noteworthy that the United States Government Accounting Office found no indication of political dossiers in the two-hundred randomly selected LEIU cards that were examined. Unfortunately, due to the limitation of the GAO audit, we were unable to provide criminal history information that would have further clarified this issue.

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The California Department of Justice, the Interstate Organized Crime Index Executive Board and the LEIU Executive Board, concluded that it would be contrary to federal and state law to release criminal history record information to the GAO. This conclusion was reached after an analysis of United States Department of Justice regulations pertaining to criminal history record information systems and to Chapter I, Title 1, Part IV of the California Penal Code. The Government Accounting Office was apparently in agreement with this conclusion for no legal opinion to the contrary was provided by that agency. While it would have been expedient to provide access to criminal history record information upon request by GAO and, thereby, confirm compliance with the grant conditions, the grant recipients found it preferable to comply with federal and state law.

It should be emphasized that while criminal history record information, itself, is not public record information, it is an index to public record information. Thus, it is an index to booking information, court documents, including preliminary hearing transcripts, grand jury transcripts, trial transcripts, affidavits and exhibits. It is also an index to licensing information. All of these items are, themselves, public record information. The grant merely required that the entries be based upon public record information. It did not require that the public record information be in the files of the member agencies. Therefore, legal restrictions and budgetary limitations prevented GAO from full access to the supporting data. In response to the concerns of the Subcommittee, we certainly welcome the opportunity to appear before these committees to further clarify these issues. This is, of course, with the understanding that the release or access of criminal history information is not in conflict with existing statutes that prohibit disclosure.

In summary, the California Department of Justice and the Law Enforcement Intelligence Unit Executive Board maintains that within the findings of your report there does not exist any storage or dissemination of information on non-criminal Americans' that the system remains in the development stages. That issues of Security & Privacy were addressed throughout the system's design as required under LEAA guidelines. In our continued efforts to develop an

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improved system of intelligence exchange between law enforcement agencies, we express the willingness to work with any governmental agency, Congressional or House Committee or interested group to insure that there remains a proper balance between the interest of law enforcement in fulfilling its responsibilities and the protection of the rights of individuals.

Sincerely,



STEVEN BERTUCELLI  
General Chairman

SB/ab  
Attachments (2)

LEIU GUIDELINES ON COLLECTION, DISSEMINATION AND PURGING OF  
LEIU/IOCI INDEX SYSTEM

## ARTICLE VIII

OPERATIONS

- A. The purpose of this Article is to set forth guidelines for member law enforcement organizations,<sup>1</sup> to follow in the collection, maintenance and dissemination of criminal intelligence. These guidelines are designed to bring about a just and equitable balance between the civil rights and liberties of American citizens and the needs of law enforcement to collect and disseminate criminal intelligence<sup>2</sup> on the conduct of persons and groups who may be engaged in systematic criminal activity.
- B. In pursuit of this goal, the Organization hereby establishes an internal code of discipline for the collection, maintenance, and dissemination of criminal intelligence, and further authorizes appropriate sanctions for the violation of said code.
1. Collection
- a. Member agencies shall collect and maintain criminal intelligence in compliance with all applicable federal and state laws and regulations.
- b. Member agencies shall not collect information on an individual or group merely on the basis that such

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<sup>1</sup> See glossary.

<sup>2</sup> See glossary.

individual or group supports unpopular causes.

- c. Member agencies shall not collect information on an individual or group merely on the basis of ethnic background or race.
- d. Member agencies shall not collect information on any individual or group merely on the basis of religious or political affiliations.
- e. Member agencies shall not collect information on an individual or group merely on the basis of personal habits and/or predilection.
- f. Member agencies shall not employ or utilize an agent provocateur<sup>1</sup> in the collection of intelligence information.
- g. Member agencies shall not use intelligence information for political or economic purposes, or for personal gain.

2. Dissemination. In order to comply with applicable federal and state laws and regulations, and for the protection of individual privacy, dissemination of criminal intelligence shall be subject to strict controls. The following procedures shall be followed by the CCA and all member agencies in the dissemination of information from the LEIU index system:

- a. Dissemination of criminal intelligence shall be on a basis of need-to-know<sup>2</sup> and right-to-know.<sup>3</sup>

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<sup>1</sup> See glossary.

<sup>2</sup> See glossary.

<sup>3</sup> See glossary.

- b. Member agencies shall disseminate intelligence information to law enforcement agencies only; however, intelligence information may be disseminated to other agencies or individuals when there is imminent danger to life or property.
- c. Dissemination of confidential information not included on the LEIU form submitted to the CCA shall be at the discretion of the submitting agency.
- d. Dissemination to non-member law enforcement agencies of criminal information contained in the LEIU index system shall be with the prior permission of the submitting agency only.
- e. Member agencies shall not duplicate LEIU cards in their possession for distribution to non-member agencies.
- f. Requests for criminal intelligence by non-member agencies shall be forwarded to the submitting member agency.
- g. The Organization shall establish and maintain a list of those law enforcement agencies and individuals authorized to receive criminal information through LEIU.
- h. Dissemination of criminal intelligence shall be for lawful purposes only.



i. Criminal intelligence shall not be disseminated unless there is reasonable assurance that the information is accurate, reliable, and timely, and not likely to compromise the identity of the source of the information.

j. Dissemination of mass media information shall be made only with the following notation:

"The information contained in this publication/  
article has been obtained from mass media  
sources. Any conclusions and/or inferences drawn  
by the author do not necessarily reflect the  
opinion of the \_\_\_\_\_.  
Name of Agency

k. To eliminate unauthorized use and abuses of the index system, a department shall utilize a dissemination control form which could be maintained with each stored document. This control form should record the date of the request, the name of the agency and individual requesting the information, the need to know, the information provided and the name of the employee processing the request. This is restricted to the dissemination of L.E.I.U. data only to non- L.E.I.U. members.<sup>1</sup>

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<sup>1</sup> There is no need to maintain an audit trail for dissemination to member agencies, as the dissemination is controlled by the recipient's possession.

2. Personal information, which is information maintained about an individual including educational, financial, medical, or employment history.
  - c. Criminal intelligence should be evaluated for source reliability and content validity prior to submission to the clearinghouse and other member agencies. The LEIU card data should be evaluated by the submitting agency and CCA.
  - c. Information should be general in nature, but should include personal identifiers. It may include pictures and fingerprints, as long as there is no formal recordation of CHRI. State Bureau of Identification, Federal Bureau of Identification, or local identifiers may be included as they do not necessarily indicate a criminal record.
6. The Central Coordinating Agency (CCA) shall serve as the clearinghouse for the LEIU master file of criminal subjects and organizations.
7. Submission of LEIU cards shall be according to the following procedures:
  - a. Member agencies shall submit to their Zone Chairman for his review and approval all index cards intended for inclusion in the LEIU index system.
  - b. If there is a difference of opinion between the submitting agency and the Zone Chairman as to the acceptability of the information submitted, the decision of the Zone Chairman shall be final.

3. The Executive Board shall notify in writing a member agency who has violated a provision of Paragraph B and shall request that the agency submit a written reply to the Board regarding the infraction. If it desires the member agency may petition for a formal hearing before the Executive Board. If the charges are substantiated, the Executive Board may take such action as is appropriate.
4. The Executive Board shall have the authority to discipline member agencies. Sanctions shall be determined by two-thirds majority vote of the Executive Board. Sanctions imposed may range from a letter of censure to termination of membership.
5. In recognition of the need to provide member agencies with uniform guidelines for the collection of criminal intelligence, the Organization hereby establishes the following criteria:
  - a. Criminal intelligence file content should be limited to information which indicates that the individual or group on whom the file is kept has been involved, is involved, or is suspected of being involved with known or suspected criminal activity.
  - b. In order to protect the confidentiality and security of the LEIU intelligence card, the following should be excluded from the card:
    1. Criminal History Record Information (CHRI).<sup>1</sup>

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<sup>1</sup> See also...

- c. LEIU forms which have been approved by the Zone Chairman for inclusion of the information in the LEIU index system shall be forwarded to the CCA for processing and subsequent dissemination to all member agencies.
- d. Any subsequent information about a card subject, including a change of address, shall be forwarded to the CCA for dissemination to all member agencies.
- e. CHRI shall be excluded from the LEIU card.
- f. The information shall be submitted on a form approved by the Executive Board and the CCA.
- g. Photographs must be unmounted and should be clipped or stapled to the cards. Photographs should be the most recent available.
- h. Information submitted should include the month, day, year, and place of birth of the card subject.
- i. Information submitted should include the subject's driver's license #, SBI and FBI # and usual and unusual physical identifiers.
- j. Information submitted should include nicknames and aliases.
- k. The L.E.I.U. card should reflect the following:
  - 1) Criminal Activity/Speciality
  - 2) Organized Crime Family
  - 3) Known Criminal Associates
  - 4) Known public information
  - 5) Modus Operandi

8. Information stored in the LEIU criminal index system shall be reviewed annually. Information which is found to be no longer current, accurate, or relevant to the needs of the LEIU shall be purged.
  - a. All information purged from the indices of the submitting agency will be accompanied by a "L.E.I.U. Card Purge" form. This form will be signed by the L.E.I.U. representative and concerned zone chairman (see attached form).
9. The guidelines and requirements of this Article shall be reviewed annually, and additions or deletions thereto shall be initiated as necessary.

GLOSSARY:Agent Provocateur:

Any individual (other than a Law Enforcement Officer) who is directed by a governmental agency to engage in a criminal activity and/or incites, stimulates, or urges others to pursue a criminal course of action.

Criminal History Record Information:

"Criminal history record information" means information collected by criminal justice agencies on individuals consisting of identifiable descriptions and notations of arrest, detentions, indictments, informations, or other formal criminal charges, and any disposition arising therefrom, sentencing, correctional supervision, and release. The term does not include identification information such as fingerprint records to the extent that such information does not indicate involvement of the individual in the criminal justice system. Section 20.3b, Title 28, Chapter 1, Part 20, Code of Federal Regulations.

Note: The term criminal history record information is not limited to what criminal justice agencies commonly call rap sheets. Whenever personal identifiers, such as name and address, exist on the same piece of paper with one of the formal transactions of the criminal justice system, CHRI is created. For example, a fingerprint card which shows that an

individual has been arrested in CHRI; take away the reference to the arrest and it is not CHRI.

Clearly, CHRI will appear in many places: police blotters, court dockets, arrest reports, pre-sentence investigations, wanted posters. Every time CHRI appears, it is governed by Title 28, unless specifically exempted. There are six exemptions to Title 28:<sup>1</sup>

The regulations in this subpart (b) shall not apply to criminal history information contained in: (1) poster, announcements, or lists for identifying or apprehending fugitives or wanted persons; (2) original records of entry such as police blotters maintained by criminal justice agencies, compiled chronologically and required by law or long standing custom to be made public, if such records are organized on a chronological basis; (3) court records of public judicial proceedings; (4) published court or administrative opinions or public judicial, administrative or legislative proceedings; (5) records of traffic offenses

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<sup>1</sup> "How to Implement Privacy and Security," Theorum Handbook.

maintained by State departments of transportation, motor vehicles or the equivalent thereof for the purpose of regulating the issuance, suspension, revocation, or renewal of driver's, pilot's or other operators' license; (6) announcements of executive clemency. Section 20.20b.

Criminal Intelligence:

Information which has been processed--collected, evaluated, collated, analyzed--into data useful for law enforcement investigative purposes. Intelligence involves data collection from both overt and covert sources and is not necessarily directed at a specific arrest or prosecution.

Need to Know:

Requested information is pertinent and necessary to the requestor agency in initiating, furthering, or completing a criminal investigation.

Right to Know:

Requestor agency has official capacity and statutory authority to receive the information being requested.



Public Record:

"Public record" includes any writing containing information relating to the conduct of the public's business prepared, owned, used, or retained by any state or local agency regardless of physical form or characteristics. (Chapter 3.5, Section 6252(d), California State Government Code.)

For purposes of these guidelines, public record information includes only that information to which the general public normally has direct access, i. e., birth or death certificates, county recorder's information, incorporation information, etc. It does not include those types of information excluded from disclosure by California Government Code Section 6254(f), as limited by Section 1798 et. seq. of the Civil Code, namely:

Records of complaints to or investigations conducted by, or records of intelligence information or security procedures of, the Office of the Attorney General and the Department of Justice, and any state or local police agency, or any such investigatory or security files compiled by any other state or local agency for correctional, law enforcement or licensing purposes.

Media Sources:

Any information which is accessible and disseminated to the public through commercial outlets.

Member (Law Enforcement) agencies:

Refers to statutorily mandated law enforcement agencies of general jurisdiction having an intelligence function.



Name: \_\_\_\_\_  
Labels: \_\_\_\_\_

**L.E.I.U. CARD PURGE**

Please PURGE the following listed LEIU subject(s) from your files as requested by the submitting member agency(s):

(Upon completion of this PURGE REQUEST, complete the bottom section and RETURN THE ENTIRE PAGE TO YOUR ZONE CHAIRMAN, within 60 days from the above date.)

As the current LEIU Representative, I do hereby certify that the above listed LEIU subject(s) have been PURGED from our LEIU files.

Signed: \_\_\_\_\_

Member Agency: \_\_\_\_\_

Date: \_\_\_\_\_

**ZONE CHAIRMAN'S  
USE ONLY:**  
Received: \_\_\_\_\_  
(Date)  
Copy to CCA \_\_\_\_\_  
(Date)

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