

BY THE COMPTROLLER GENERAL

Report To The Congress

OF THE UNITED STATES

From Quantity To Quality: Changing FBI Emphasis On Interstate Property Crimes

In 1975 the Federal Bureau of Investigation formally adopted a goal of concentrating its resources on the solution of major property crimes. However, most FBI investigations still involve low priority violations or matters not within Federal jurisdiction. GAO estimates that in fiscal year 1978, the FBI spent about \$21 million to handle matters that State and local authorities also responded to.

The FBI's impact on major property criminals and organized theft-rings (quality cases) could be more effective if

- the FBI reduced the heavy load of unproductive property crime cases it handles,
- U.S. attorneys changed their prosecutive policies to agree with the FBI's quality criteria,
- FBI investigations were better coordinated with State/local law enforcement agencies,
- FBI guidance for field investigators were strengthened and clarified, and
- property crime statutes were changed to eliminate inconsistent Federal policies and practices in the area of interstate property crime.

GAO makes recommendations for improving Federal efforts in the property crimes area.



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

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To the President of the Senate and the
Speaker of the House of Representatives

This report discusses the need for a uniform strategy by the Department of Justice for prosecuting and investigating interstate property crimes. Such a strategy calls for the Bureau to emphasize quality-type property crimes and to rely more on State and local law enforcement entities. The strategy also involves bringing U.S. attorneys' prosecutive guidelines and Bureau investigative criteria closer in line.

Chapters 2 and 3 contain recommendations to the Attorney General for improving both the investigative and prosecutive aspects of Federal property crime matters. If implemented, these corrective actions could maximize the use of Department resources and the Department's overall impact on interstate crimes. The report also contains a recommendation to the Congress to amend the statute governing the interstate transportation of stolen property. This would allow the Federal Government to direct its resources to cases having the most impact on the Nation's property crime problem.

The Department of Justice, by letter dated December 21, 1979, was given an opportunity to comment on this report. No response, however, was received as of April 21, 1980, when this report was finalized.

We made this review to determine if the Bureau used its resources effectively and to ascertain if the Bureau could rely more on State and local law enforcement officials. This approach would free Bureau resources to attack organized crime and white-collar crime.

Copies of this report are also being sent to the Director, Office of Management and Budget; the Attorney General; and the Director, Federal Bureau of Investigation.

A handwritten signature in black ink, appearing to read "Robert A. Atwell".

Comptroller General
of the United States



D I G E S T

The Federal Bureau of Investigation (FBI) has recognized that with its limited resources it could never adequately investigate all crimes within its jurisdiction. In 1975 the FBI implemented a "quality over quantity" concept in case workload to eliminate marginal investigations or matters not warranting Federal attention.

To achieve its strategy of concentrating on quality cases, the FBI must rely on State and local police and prosecutors. Justice Department policymakers clearly support this strategy but it has not been effectively integrated into day-to-day operations of FBI field offices and U.S. attorneys' offices. In the property crimes area, conflicting requirements and a lack of reliance on State/local assistance all work to perpetuate the FBI's heavy load of nonquality (low priority), unproductive cases.

About 70 percent of the \$30.3 million the FBI spent to investigate property crimes in fiscal year 1978 was devoted to nonquality cases. As a result, the FBI's impact on major property criminals and organized theft-ring operations has not been as effective as possible.

Within the Justice Department, officials disagree about the types of cases the FBI should be involved in from the outset and those that should be left to local authorities. All can agree, however, that minimizing FBI involvement in nonquality cases

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is the first step to adequately attack the Nation's worsening property crime problem.

GAO's study at six FBI field offices-- Atlanta, Cleveland, Detroit, Miami, Newark, and New York--showed that the FBI's investigations in fiscal year 1978 of property crime matters were mostly unproductive. GAO's study of 467 sample cases showed that 93 percent were not prosecuted. Of these cases, about 50 percent were either closed by the FBI or declined for prosecution by U.S. attorneys because they did not involve a Federal violation. Only 14 percent of the cases investigated resulted in the FBI recovering stolen property. (See p. 6.)

The FBI will not fully achieve a quality property crime caseload until U.S. attorneys' prosecutive policies and FBI investigative priorities are coordinated. Currently, the FBI believes it should concentrate its investigations on interstate shipment thefts of over \$50,000, while U.S. attorneys have prosecutive guidelines that require FBI involvement in many thefts far below that amount. The FBI has also tried without success to limit its investigations of interstate transportation of stolen property to quality cases of \$50,000 or more. However, U.S. attorneys require FBI involvement in offenses that exceed \$5,000, the amount established by law as being a Federal offense. (See pp. 22 to 28.)

Although limiting FBI involvement in cases where Federal jurisdiction is lacking or uncertain is a readily accepted goal, it is not easily implemented. GAO's study showed that in 253 of the 467 sample cases, the FBI never attempted to coordinate with the State/local police. Further, 56 percent of the cases were closed or declined because of no Federal violation (no Federal jurisdiction). Improved coordination between

the FBI and State/local law enforcement agencies is needed to determine the appropriate role of each in the initial investigation of property crimes and in the disposition of cases investigated by the FBI but closed without prosecution at the Federal level. (See p. 15.)

By concentrating resources on major interstate property thefts, the Government is much more likely to prosecute major property criminals and thieves and recover substantial amounts of stolen property. Of the 32 sampled cases prosecuted, 26 were quality cases. In these quality cases, 113 subjects were prosecuted as compared to only 8 subjects in the 6 non-quality cases prosecuted. Although the FBI recovered property in relatively few cases, the value of property recovered on quality cases was about \$3.1 million compared to about \$141,000 for nonquality cases. (See pp. 8 and 10.)

If field offices were more aggressive in identifying major property problems and then targeting them for action better results could be achieved. One field office using the targeting concept over a 2-year period arrested 65 top thieves and recovered \$4.5 million in stolen property. Yet only 512 of the 47,487 interstate property crime investigations made by the FBI during fiscal year 1978 were target cases. (See p. 18.)

RECOMMENDATIONS TO THE ATTORNEY GENERAL

The Attorney General should direct U.S. attorneys to change their prosecutive policies for property crimes to agree with FBI quality criteria.

The Attorney General should require the FBI to

- Sept 18 1985*
- minimize FBI involvement in property crimes not warranting a Federal presence by developing guidelines that stress greater reliance on State and local law enforcement agencies,
 - maximize its efforts against major interstate property crimes by more aggressively identifying and investigating top property criminals, and
 - revise its quality criteria to exclude cases where Federal jurisdiction is uncertain.

RECOMMENDATION TO THE CONGRESS

GAO recommends that the Congress strike the reference to \$5,000 from the statute governing the interstate transportation of stolen property so that Federal jurisdiction can be directed to those offenses where an expenditure of Federal resources would have the most impact on the Nation's property crime problem. This would bring interstate transportation of stolen property violations in line with other property statutes in not requiring a monetary standard for determining Federal jurisdiction.

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ABBREVIATIONS

FBI	Federal Bureau of Investigation
GAO	General Accounting Office
PCI	Priority Case Indicator

CHAPTER 1

INTRODUCTION

The way the Federal Bureau of Investigation (FBI) manages its criminal investigative activities and allocates its resources is important in achieving the greatest possible impact on crime. The FBI traditionally managed its investigative resources on the basis of caseload and accomplishments, giving equal weight to all crimes within its jurisdiction. Realizing the limitations of this method, the FBI in 1975 implemented a new approach--called quality over quantity--to concentrate resources on the most important crime problems.

This change in approach complements both the President's June 1977 view that the Federal Government ought not to duplicate State and local law enforcement functions unnecessarily and the Attorney General's position that the emphasis of FBI criminal investigations should be on the offenses which, because of their nature and scope, can be handled better at the Federal level. Offenses that can be investigated equally well by Federal or local authorities should be left to local law enforcement agencies.

To determine how successfully the quality caseload concept had been applied to the FBI's general property crimes program, we reviewed 467 interstate property crime cases randomly sampled from investigations completed in fiscal year 1978 by 6 FBI field offices--Atlanta, Cleveland, Detroit, Miami, Newark, and New York. The workload of these six offices represented about 20 percent of the FBI's total property crime caseload for fiscal year 1978. We also interviewed FBI officials at seven other field offices and interviewed various local police officials and prosecutors at all locations visited. The scope and methodology used in our review are explained more fully in chapter 4.

THE QUALITY CASELOAD--BALANCING PRIORITIES IN AN AGE OF LIMITATIONS

The FBI's overall objective is to use its resources to have a significant impact on criminal activity, investigate civil matters in which the Federal Government has an interest, and provide the executive branch with information on national security.

The FBI has field offices in 59 major U.S. cities and maintains about 500 resident offices in the Nation's smaller cities and towns. It maintains foreign liaison offices in 12 countries. In fiscal year 1978, the FBI had an authorized strength of 20,192 full-time employees, and expenditures for salary and expenses were about \$553 million. Investigations were carried out by about 8,000 special agents, about 90 percent of whom were assigned to field and resident offices. The remaining agents provided support at FBI headquarters. The 809 special agents assigned to the general property crimes program in fiscal year 1978 comprised about 10 percent of the FBI's total agents. In fiscal year 1979, the total agent effort was about 7 percent.

The FBI recognizes that because of limited resources, all crimes within its jurisdiction could never be adequately investigated. Consequently, in August 1975, the FBI implemented a "quality over quantity" concept in case workload to eliminate marginal investigations or matters not warranting Federal attention. By stressing quality and impact rather than quantity of cases investigated and number of convictions as in the past, the FBI hoped to have a more substantive effect on the national crime problem. In converting from a quantity to quality caseload, the FBI Director issued a directive in August 1975 instructing all field offices to resolve marginal cases as early as possible and concentrate investigative efforts on major criminal problems within their respective territories.

Consistent with the quality concept, the FBI, in October 1977, grouped its array of investigative activities into programs and ranked them in three levels of priority as follows.

Priority level

Program

I

Foreign Counterintelligence
Organized Crime
White-Collar Crime

- II Antitrust/Civil Matters
 Civil Rights
 General Property Crimes
 (note a)
 Personal Crimes

- III Applicants/Employee Security
 and Special Inquiry
 Domestic Security/International
 Terrorism
 Fugitives
 General Government Crimes

a/ This program includes the three classifications we reviewed--theft from interstate shipment, interstate transportation of stolen motor vehicles or aircraft, and interstate transportation of stolen property.

THE FBI'S GENERAL PROPERTY CRIMES PROGRAM

FBI crime statistics attest to the seriousness of property crimes in society today. Of the seven classifications that make up the FBI's Uniform Crime Reporting Program Index, property crimes represent 91 percent of the total statistics. From 1960 through 1976, property crimes have increased 233 percent nationwide, and the value of property stolen approaches an estimated \$4 billion per year.

Broadly speaking, the FBI's general property crimes program objectives are to reduce major interstate property crimes which State and local authorities cannot effectively handle and to recover the property stolen. More specifically, the program objectives are to

- resolve or alleviate only the most serious major property crime problems by identifying and neutralizing active criminals and organized crime groups;
- conduct only highly selected and specifically targeted long-term undercover operations;

--participate in carefully chosen geographical and regional investigative efforts for selected, high priority criminal activity; and

--target selected locations of concentrated vehicle theft for profit activity.

The FBI planned to accomplish these goals by concentrating its resources on quality cases, such as those involving ring type organizations.

Funds spent on interstate property crimes for fiscal year 1978 totaled about \$30.3 million. This represents costs incurred by agents in all FBI field offices for interstate property crime investigations and the clerical and supervisory support provided by field personnel. Excluded is any allocation of overhead costs of FBI headquarters.

Within its general property crimes program, the FBI has three major classifications for interstate property crimes--theft from interstate shipment, interstate transportation of stolen motor vehicles, and interstate transportation of stolen property. During fiscal year 1978, these three classifications together comprised about 91.5 percent of the FBI's activity in the general property crimes program.

The FBI does not individually rank its programs within the three separate priority levels shown on pages 2 and 3; however, within each program it has a priority case indicator (PCI) system applicable to individual case types and investigative activities. As a general rule, an FBI property crime investigation designated as a PCI or priority case is considered a quality matter and receives the highest supervisory and investigative attention possible for a priority level II program. A non-PCI case is considered a low priority or nonquality matter.

CHAPTER 2

FBI NOT ACHIEVING A QUALITY CASELOAD

FOR PROPERTY CRIMES

The FBI is not accomplishing its goal of concentrating investigative efforts on quality interstate property crimes and supplementing the efforts of State and local law enforcement agencies also having jurisdiction for property crimes. Of the approximately \$30.3 million that the FBI spent to investigate property crimes in fiscal year 1978, about \$21.3 million was spent to investigate nonquality cases. In addition, our work at six FBI offices showed that most property crime investigations were unproductive. Only 7 percent of the cases were prosecuted, about half of the cases did not involve a Federal violation, and only about 14 percent of the cases resulted in any recovery of stolen property.

The FBI needs to more effectively use its existing resources to neutralize major interstate property crime, an area where FBI sophistication would make the most difference. The FBI also could better assess its own progress in converting to a quality property caseload by revising its quality standards; e.g., cases that result in no Federal violation should not be recorded as quality matters.

In addition to the unproductive nature of FBI property crime investigations, a lack of coordination exists between Federal and local authorities that results in overlapping investigative effort and in local prosecutors not prosecuting referred cases. The Attorney General needs to direct (1) the FBI to coordinate with local law enforcement authorities on all investigative matters and (2) U.S. attorneys to improve overall coordination of law enforcement activities in their respective districts. The Attorney General must ensure that the numerous cases handled by the FBI each year, but not prosecuted by the U.S. attorney, reach the local authorities for their prosecutive consideration.

MOST FBI PROPERTY CRIME INVESTIGATIONS
ARE UNPRODUCTIVE

Most of the FBI's investigative efforts on general property crimes in 6 FBI field offices during fiscal year 1978 were unproductive. Measuring the results of 467 property crime cases sampled showed that 93 percent were not prosecuted. Of these cases, about 50 percent were either closed by the FBI without presentation to a U.S. attorney or declined by the U.S. attorney because they did not involve a Federal violation. In addition, only 14 percent of the sampled cases resulted in the FBI recovering stolen property, and in about half of these cases the recovery was only partial.

Few investigations result in prosecutions
or recoveries of stolen property

As a result of property crime investigations, the FBI presented only 27 percent of its cases to U.S. attorneys and recovered property in only 14 percent of its cases. A random sample of 467 investigations, selected from 6 FBI field offices showed that the FBI closed 11 of every 15 FBI property crime cases without presentation to the U.S. attorney for a prosecutive decision. Of the cases (128) the FBI presented for prosecution, U.S. attorneys prosecuted only 1 of every 4 property crime cases. In addition, the FBI recovered the property taken in only 8 percent of the cases and made partial recoveries in another 6 percent of the cases.

The table on the following page shows the disposition of the 467 sampled cases (277 quality cases and 190 non-quality cases).

<u>Classification</u>	<u>Number of sampled cases</u>	<u>Closed administratively</u>		<u>Declined by U.S. attorney</u>		<u>Prosecuted by U.S. attorney</u>	
		<u>by FBI</u>		<u>U.S. attorney</u>		<u>U.S. attorney</u>	
		<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Theft from interstate shipment (note a) (PCI)	93	61	66	16	17	16	17
Theft from interstate shipment (non-PCI)	85	65	77	18	21	2	2
Interstate transportation of stolen motor vehicles (note b) (PCI)	85	53	62	25	30	7	8
Interstate transportation of stolen motor vehicles (non-PCI)	53	38	72	11	21	4	7
Interstate transportation of stolen property (note c) (PCI)	99	78	79	18	18	3	3
Interstate transportation of stolen property (non-PCI)	<u>52</u>	<u>44</u>	85	<u>8</u>	15	-	-
Total	<u>467</u>	<u>339</u>	73	<u>96</u>	20	<u>32</u>	7

a/The theft or embezzlement of goods from a shipment moving in interstate or foreign commerce, or the receipt or possession of any such article knowing that it had been stolen or embezzled (18 USC 659).

b/The transporting, receiving, concealing, storing, bartering, selling, or disposing of any stolen motor vehicle or aircraft in interstate or foreign commerce (18 USC 2311-2313).

c/Federal jurisdiction limited to the transportation or theft in interstate or foreign commerce of stolen property other than automobiles having a value of \$5,000 or more (18 USC 2314).

As indicated, only 7 percent of the FBI's interstate property crime cases were prosecuted and of these 26 cases were PCI or quality cases. Our analysis showed that the FBI had more impact on property crime by solving quality cases because they were more likely to involve multiple suspects and be accepted by U.S. attorneys for prosecution. The prosecutive outcome for the 32 cases follows.

<u>Classification</u>	<u>Number of cases</u>	<u>Number of subjects</u>	<u>Convictions</u>	<u>Dismissals</u>	<u>Acquittals</u>
Theft from interstate shipment (PCI)	16	57	45	8	4
Interstate transportation of stolen motor vehicles (PCI)	7	50	45	5	-
Interstate transportation of stolen property (PCI)	<u>3</u>	<u>6</u>	<u>6</u>	<u>-</u>	<u>-</u>
Total (PCI)	<u>26</u>	<u>113</u>	<u>96</u>	<u>13</u>	<u>4</u>
Theft from interstate shipment (non-PCI)	2	3	3	-	-
Interstate transportation of stolen motor vehicles (non-PCI)	4	5	4	1	-
Interstate transportation of stolen property (non-PCI)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total (non-PCI)	<u>6</u>	<u>8</u>	<u>7</u>	<u>1</u>	<u>-</u>

U.S. attorneys obtained a high conviction rate in all cases accepted for prosecution; however, those cases designated by the FBI as PCI were much more productive due to the large number of subjects involved. One PCI case in our sample resulted in 40 subjects being prosecuted and the recovery of stolen property valued at about \$250,000. By comparison, FBI total accomplishments from handling the 190 non-PCI cases in our sample produced only 8 subjects for prosecution.

The recovery of stolen property is one of the major objectives in the FBI's property crimes program. The following shows, to the extent we could determine from FBI case files and from discussions with local authorities, the recovery rate for the 467 sampled cases.

Classification	Number of sampled cases	Total recoveries			Cases where					
		Full	Partial	Total	Recoveries made by FBI			Recoveries made by others		
		Full	Partial	Total	Full	Partial	Total	Full	Partial	Total
Theft from interstate shipment (PCI)	93	16	32	48	12	12	24	4	20	24
Interstate transportation of stolen motor vehicles (PCI)	85	19	15	34	9	6	15	10	9	19
Interstate transportation of stolen property (PCI)	99	16	14	30	8	3	11	8	11	19
Total (PCI)	277	51	61	112	29	21	50	22	40	62
Recovery rate (%)				40.4			18			22.4
Theft from interstate shipment (non-PCI)	85	6	5	11	4	1	5	2	4	6
Interstate transportation of stolen motor vehicles (non-PCI)	53	22	2	24	5	0	5	17	2	19
Interstate transportation of stolen property (non-PCI)	52	5	6	11	1	3	4	4	3	7
Total (non-PCI)	190	33	13	46	10	4	14	23	9	32
Recovery rate (%)				24.2			7.4			16.8
Total	467	84	74	158	39	25	64	45	49	94
Recovery rate (%)		18	16	34	8	6	14	10	10	20

The total recovery rate for property crimes sampled was about 34 percent; however, about half of the recoveries were only partial recoveries. As an indicator of the merit of concentrating resources on quality cases, the total recovery rate for PCI cases of 40.4 percent was almost twice that for the non-PCI cases. This same relationship holds true for the recoveries made solely by the FBI, as it experienced an 18-percent recovery rate for PCI cases which more than doubled the 7.4-percent rate for non-PCI cases.

Comparing the dollar value of stolen property recoveries in PCI versus non-PCI cases shows the benefit of concentrating resources on quality cases. The total dollar value of property recovered by the FBI in PCI cases was about \$3.1 million, whereas the total dollar value of recovered property in non-PCI cases was about \$141,000.

As the statistics indicate, the FBI could have a greater impact on property crimes if it minimized the amount of resources devoted to non-PCI cases and redirected those resources to PCI cases.

Reasons for case closings and declinations

The FBI closed 73 percent of the sampled cases without presenting them to the U.S. attorney, and the U.S. attorney declined 75 percent of the cases presented for prosecution. The primary reason for both the FBI closing and U.S. attorneys declining cases was the inability to establish that a violation of Federal law had occurred. Of the 435 cases not prosecuted, 50 percent were closed or declined for this reason.

Additionally, 132 cases were not prosecuted because of the inability to identify a subject or gather sufficient evidence for prosecution. U.S. attorneys and their assistants claimed that to prosecute a case once a subject has been identified generally requires the recovery and identification of the stolen property. Yet U.S. attorneys and FBI officials said these characteristics are rarely present in interstate property thefts. For example, the types of property stolen included food products, clothing, steel, lawn mowers, cigarettes, liquor, tires, shoes, trailers, or machinery, most of which were nonserial

numbered items and thus difficult to positively identify. These characteristics make disposal of stolen property easy and recovery and identification difficult, thereby making prosecutive efforts almost impossible.

The following table shows the reasons, as noted in case files, for closings and prosecutive declinations.

Reasons	Theft from interstate shipment		Interstate transportation of stolen motor vehicles		Interstate transportation of stolen property		Totals
	(PCI)	(Non-PCI)	(PCI)	(Non-PCI)	(PCI)	(Non-PCI)	
FBI reasons for closing case:							
No Federal violation	23	15	46	25	56	32	197
Subject not identified	34	37	1	5	17	7	101
Matter not within U.S. attorney prosecutive guidelines	-	5	1	3	-	-	9
Insufficient evidence	-	6	-	2	1	-	9
Local police case	-	1	4	-	-	-	5
Other reasons (e.g., case consolidated into another case, case referred to another FBI office)	4	1	1	3	4	5	18
U.S. attorney reasons for declining prosecution:							
No Federal violation	2	4	4	-	6	4	20
Insufficient admissable evidence	7	2	8	1	2	2	22
Low dollar value of theft	1	8	-	-	-	-	9
Deferred matter for local prosecutive actions	3	1	9	5	7	1	26
Matter not within U.S. attorney prosecutive guidelines	-	-	1	3	-	-	4
Other reasons (e.g., subject indicted on more serious charges, theft was a civil not a criminal matter)	3	3	3	2	3	1	<u>15</u>
							<u>435</u>

Quality cases not always quality

FBI interstate property cases designated as quality cases often do not warrant such a designation. As a result, FBI statistics showing the number of quality cases and agent time spent on these cases are misleading. By far the largest segment contributing to the misleading statistics involve those cases in which no Federal violation occurred.

In fiscal year 1978, 37 percent (17,570) of the 47,487 interstate property crime cases opened were classified by the FBI as quality cases, and 54 percent of the total agent investigative time was used on these cases. In the first 6 months of fiscal year 1979, the FBI reported an increase in the number of and time used on quality cases. For the 6-month period, the FBI reported that 53 percent of the cases were classified as quality cases, and that 78 percent of the total agent time spent on general property crimes program work was used on these quality cases.

Of the 277 sampled cases having a quality designation in the 6 FBI offices visited, 49 percent were closed or declined because they did not involve any Federal violation. Of the remaining 140 quality cases in our sample, we identified 18 cases that should have been identified as non-quality. Ten of these cases involved motor vehicle thefts in which the complaint data in the FBI case files and discussions with FBI agents showed that no evidence existed to warrant a quality designation. The other eight cases were identified as quality cases merely because they involved thefts of an entire interstate shipment, even though the dollar loss was under \$50,000--the minimum criterion used to classify most cases as quality. As a result of classifying thefts of full shipments as quality cases, low dollar value thefts are included in the quality statistics.

FBI INVESTIGATIONS OF NONQUALITY CASES ARE COSTLY

The FBI devoted considerable resources in fiscal year 1978 to investigate nonquality cases. Of the approximately \$30.3 million the FBI spent to investigate interstate property crimes, about \$14 million was used for handling nonquality cases. In addition, the FBI expended

\$7.3 million on cases which, although designated as quality cases, we believe were nonquality cases. The expenditures included substantial use of assist FBI field offices to totally investigate nonquality cases. However, to be consistent with its stated objectives and to have the greatest impact on property crime, the FBI must ensure that its resources are focused on quality cases.

The principal cost the FBI incurs in an investigation is the direct cost of agent time. According to the FBI, agents do not usually spend a great deal of time on individual non-PCI cases. Collectively, however, FBI agents did considerable work on non-PCI cases: 46 percent of agent investigative time available for working on interstate property crime cases in fiscal year 1978 was spent on non-PCI cases. Because the FBI does not maintain cost data by case, we could not determine the cost associated with individual cases. On the basis of other FBI statistics, however, we were able to compute the costs associated with PCI and non-PCI cases in total as shown below.

	Total cost (<u>note a</u>)	PCI (<u>note b</u>)	Non- PCI (<u>note b</u>)
Direct investigative resources	\$18.2	\$9.8	\$8.4
Management supervision and administrative support	<u>12.1</u>	<u>6.5</u>	<u>5.6</u>
	<u>\$30.3</u>	<u>\$16.3</u>	<u>\$14.0</u>

a/Does not include FBI headquarters staff or indirect overhead such as records management, communications, and crime laboratory services.

b/PCI accounts for 54 percent of FBI's agent investigative time while non-PCI accounts for 46 percent.

As shown above, the FBI expended about \$14 million on nonquality cases. In addition, as shown on page 12, about 49 percent of the sampled cases identified as quality cases were, in our opinion, nonquality cases. When the sample results were weighted to reflect the number of PCI cases in each of the six FBI field offices sampled, the estimated percentage of no Federal violation cases in our total sample universe was 44.6 percent. Given this figure, we estimate that the FBI expended an additional \$7.3 million ^{1/} on cases that were classified as quality when in fact they were nonquality. In total, therefore, in fiscal year 1978 the FBI spent \$21.3 million on nonquality matters. The FBI must make every effort to use these resources on quality investigations so as to have a greater impact on property crimes.

A certain amount of work is associated with any case once it is opened. For example, agents obtain bills of lading to establish the interstate nature of a shipment, secure positive identification and the dollar value of stolen property, and establish a list of witnesses. Our analysis of 190 non-PCI cases showed that the FBI did some work on every case. In one instance, on a theft valued at only \$50, the FBI interviewed witnesses and performed other work to identify the facts of the case. According to the FBI case file data, the U.S. attorney told the FBI that the case did not warrant an investigation and that the local police should have handled the matter.

Property cases often require the investigative assistance of more than one FBI field office. In an investigation, the principal office is termed the office of origin, and assisting offices are termed auxiliary offices. FBI procedures require auxiliary offices to perform whatever work is warranted to assist the office of origin in checking out leads on a particular case. The auxiliary office is required to open a case and to commit agent time until the assigned tasks are completed. Assistance generally entails interviewing persons, contacting local informants or the police, checking serial numbers of stolen property, and many other tasks necessary to prove interstate transportation and conclude an ongoing investigation.

^{1/}This figure was computed by applying the 44.6 percent to the total expenditures of \$16.3 million by the FBI on PCI cases.

Auxiliary office assistance is frequently requested on nonquality cases. The following table shows the number of non-PCI cases in our sample that involved auxiliary offices.

<u>Classification</u>	<u>Number of non-PCI cases</u>	<u>Cases involving assist work</u>		<u>Auxiliary offices involved</u>
		<u>Number</u>	<u>Percent</u>	<u>Number</u>
Theft from inter-state shipment	85	23	27	41
Interstate transportation of stolen motor vehicles	53	30	57	69
Interstate transportation of stolen property	<u>52</u>	<u>23</u>	44	<u>63</u>
Total	<u>190</u>	<u>76</u>	40	<u>173</u>

As indicated, 76 non-PCI cases involved assist work by an average of 2.3 auxiliary offices. The largest number of auxiliary offices involved in the 76 cases was 9. Thus, even though we did not evaluate the effort spent by auxiliary offices on non-PCI cases, we observed that the opening of a non-PCI case by the office of origin increases the total effort spent by FBI agents on a nonquality case because of the effort expended by auxiliary offices.

FEDERAL/STATE COORDINATION
LACKING AT THE INVESTIGATIVE
AND PROSECUTIVE LEVELS

A lack of investigative coordination exists between the FBI and State and local law enforcement agencies. The FBI does not fully coordinate with the police to benefit from their work and to minimize any investigative overlap. Moreover, by not adequately communicating with other police agencies, the FBI investigates many cases which are not prosecutable as a Federal offense, usually because the theft was of a value under \$5,000 or did not occur in interstate commerce.

The police play an important role in combating property crimes. Most property crimes are reported first to the local police or discovered by them, and a uniformed officer is usually dispatched immediately to the scene. On arrival, the local police usually gather details and evidence for a police report which is then submitted to detectives who

determine if further investigation is warranted. Local police officials said that most leads are investigated, even those on low priority cases. The investigative steps that the police follow on property crimes are the same straightforward and routine procedures that FBI agents follow. In our sample cases, these steps included interviewing witnesses and the victim, gathering physical evidence for laboratory analysis, establishing the identity of the stolen property, entering a description into the computer files of the National Crime Information Center, and contacting confidential sources and informants.

Despite the presence and capability of the local police, FBI case file information indicated that FBI investigations usually were independent of investigative work performed by the local police. Only 26 of the 467 FBI cases reviewed involved a joint investigation by the FBI and the police. In 253 additional cases, FBI case files showed no evidence that the FBI had made any effort to coordinate with the local police. Of these cases, 56 percent were closed or declined because no Federal violation existed. In the 188 remaining cases, we determined that the police responded to the scene of the crime usually before the FBI arrived. However, the FBI's coordination with the police frequently was limited to getting an initial police report or a single telephone contact usually originated by the police. Considering the demonstrated willingness and capability of the police to respond to crimes, the FBI could more effectively use its resources by increasing its reliance on and improving its coordination with local police. This interaction could also help the FBI ascertain whether a Federal presence is needed or a Federal violation has occurred.

Further, there was a lack of coordination regarding the referral of property cases for local prosecution. As pointed out on page 11, the FBI closed 197 cases without presenting them to the U.S. attorney because it could not establish that a Federal violation had occurred. However, only 33 of the 197 cases were referred to the local police. Also, U.S. attorneys declined to prosecute 20 cases because a Federal violation had not been established and 26 cases because they were referred for local prosecutive action. Only 1 of the 20 cases declined because of no Federal violation was referred to the local police or prosecutor, and only 14 of the 26 cases were actually referred for local prosecutive action.

Local prosecutors said that, with the exception of some stolen car cases, few property case referrals were received. Of the 18 local prosecutors contacted, 14 stated the following regarding case referrals:

- Never had a referral (2 prosecutors).
- Received only a few referrals in past several years (9 prosecutors).
- Referrals received were accompanied by incomplete data (3 prosecutors).

The remaining 4 prosecutors either had no comment or said that referrals go to the local police, not to them.

The responsibility for making referrals to local authorities rests with the FBI. In fact, FBI investigative guidelines emphasize that those matters not considered for prosecution by the U.S. attorney should be referred to the local law enforcement agency having jurisdiction over the violation.

Problems with the referral of Federal property cases to local authorities have existed for years. A federally funded study by the Blackstone Institute, surveying referrals of interstate auto theft cases for a 2-month period in 1977, disclosed that nearly half of the sampled interstate car cases declined by U.S. attorneys were not referred to the appropriate local authorities. A Department of Justice official said that the Department is aware that the referral process is not working well and that the Department is considering adding a new section to the U.S. attorney's manual that would address referral requirements on individual stolen car matters. The new section would require a U.S. attorney, after declining a car case for prosecution, to notify the FBI of the decision and to request that the FBI notify the appropriate local authorities of the decision. However, the official said that no such requirement is planned for the other types of property crimes.

Since 1972, the Department of Justice has advocated the establishment of permanent Federal-State Law Enforcement

Committees, consisting of principal Federal and State prosecutors and other law enforcement officers, to correct the lack of coordination that exists regarding the investigation and prosecution of concurrent jurisdiction cases. U.S. attorneys were asked to reach an understanding with their State and local counterparts regarding the investigation and prosecution of cases involving concurrent jurisdiction. The committees were to eliminate lapses in enforcement created by one law enforcement agency thinking its counterpart would handle the crime. The Department's goal was to form a committee in each State by October 1978. Yet, as of that date, U.S. attorneys had established committees in only 19 States and were in the process of forming committees in 12 other States. In the 10 States covered by our review, only 1 had an active Law Enforcement Committee although 2 additional States had just started such a committee. In the other 7 States, the Law Enforcement Committees established in 3 States were not functioning well, and that 4 States had no plans to form a committee.

OPPORTUNITY EXISTS FOR THE FBI
TO HAVE A GREATER IMPACT ON
MAJOR PROPERTY CRIME

The FBI's primary objective in handling property crimes is to identify and neutralize major property criminals and organized crime groups responsible for committing property thefts. To make its general property crimes program successful, the FBI believes its field offices must identify major problem areas in their respective territories and then target these problems for action. Yet FBI property crime investigations generally are "reactive" in that investigations take place after an offense has been reported. The result, as noted earlier in this chapter, has been that the FBI solves few cases, and the FBI's impact on major property crimes has been less than expected.

The rising rate (up 233 percent between 1960 and 1976) of property crimes in the United States places an important responsibility on the FBI to identify and investigate the major perpetrators of property crimes. In June 1973, the FBI established a top thief program to intensify its investigations of property criminals. By targeting thieves

engaged in or about to engage in violations of Federal property statutes, the FBI hoped to compile sufficient evidence to effectively prosecute those targeted. FBI management realized that investigating the activities of major property criminals prior to the commission of an offense was a departure from "reactive" police work, and it would require using many of the FBI's most experienced agents capable of applying creative investigative techniques while at the same time not violating the privacy rights of citizens.

Although FBI headquarters has attempted to create a viable top thief program since 1973, only 512 of the 47,487 property crime investigations opened by FBI field offices during fiscal year 1978 were top thief target cases. Further, in the first 6 months of fiscal year 1979, FBI field offices opened only 204 top thief cases. Twelve of the FBI's 59 field offices had yet to open a single top thief investigation through this 6-month period.

FBI headquarters officials, aware that field offices need to emphasize top thief cases, have on several occasions encouraged field offices to increase their use of this approach. Most recently, a January 1979 directive by the FBI Director stressed the importance of targeting top thieves for investigation to reduce the incidence of significant property crimes. One field office's use of the targeting concept over a 2-year period resulted in the arrest of 65 top thieves and the recovery of \$4.5 million in stolen property.

While some offices have recognized and used the targeting concept, more needs to be done. In fact, FBI field office officials identified opportunities that could be realized by using this concept. For example,

--In one office FBI officials were aware that major property theft activity in their area had reached alarming proportions; yet only one FBI agent was assigned full-time to investigate this activity, and the office opened only three top thief cases between January 1, 1978, and March 31, 1979.

--In another geographic area experiencing considerable stolen property moving out of State, FBI officials

acknowledged a need to develop an extensive network of informants and sources to target the top property criminals responsible for these crimes. One FBI official said he knew of about five top property thieves suspected of activity in this area, but the extensive resources needed to properly target these criminals for investigation were not available.

--In another office an FBI official said that organized criminal elements operated interstate car theft rings in his territory, and that more agents were needed to investigate this criminal activity.

--At four other field offices, FBI officials said that, although organized property criminals could be more intensively investigated, limited manpower made this effort impractical.

The need for the FBI to have greater impact on major property criminals is also evidenced by legislation currently being considered in the Congress. The proposed legislation entitled the "Motor Vehicle Theft Prevention Act of 1979" (S. 1214, 96th Congress, first session) would place greater responsibility on the FBI for neutralizing the major criminal elements engaged in the interstate trafficking of motor vehicles and parts.

CONCLUSIONS

The FBI can have the greatest impact on major interstate property thefts by concentrating its resources on quality cases. These cases are more likely to result in prosecutions and in the recovery of stolen property. In fiscal year 1978, however, the FBI spent about 70 percent of its property crime resources to investigate nonquality property crimes. Even if these crimes were solved, the FBI's objective of significantly neutralizing major interstate property criminals and organized crime gangs would not have been accomplished.

The FBI does not need to be involved with most property crimes. Local authorities usually are notified about thefts first, are first to arrive at the scene of the crime, and

are capable of recovering stolen property and doing much the same work that FBI agents do. By assuming a supplemental role, the FBI could concentrate more of its resources on investigations of top property criminals and on reactive investigations of quality matters that the local police cannot handle effectively.

The coordination between Federal and State/local law enforcement agencies needs to be improved. Duplication in investigative work occurs, and cases not prosecuted at the Federal level are not referred to local authorities for their consideration and prosecution. The Department of Justice has been aware of the coordination problem for many years and has continually promised that corrective action would take place; yet the problem continues.

The new referral requirements being considered by the Attorney General for car theft cases should be broadened to include other property cases as well. However, the new requirements will pertain only to cases declined by U.S. attorneys. A similar referral requirement is needed for violations of local laws which the FBI closes without presentation to a U.S. attorney.

RECOMMENDATIONS TO THE ATTORNEY GENERAL

We recommend that the Attorney General require the FBI to

- minimize FBI involvement in property crimes not warranting a Federal presence by developing guidelines that stress greater reliance on State and local law enforcement agencies,
- maximize its efforts against major interstate property crimes by more aggressively identifying and investigating top property criminals, and
- exclude from its quality criteria for interstate property crimes cases where the dollar value of an entire shipment is less than \$50,000 and where Federal jurisdiction is uncertain.

To use Federal, State, and local law enforcement agencies most effectively in combating property crimes,

we also recommend that the Attorney General

- determine corrective actions needed to establish or properly administer permanent Federal-State Law Enforcement Committees in each State and
- require that the FBI refer to the appropriate local authorities the property cases it closes and those which U.S. attorneys decline for prosecution involving violations of local laws.

CHAPTER 3
FACTORS RESTRICTING FBI ATTAINMENT
OF QUALITY CASELOAD

Two factors combine to saddle the FBI with a caseload of unproductive and nonguality interstate property matters discussed in chapter 2:

- U.S. attorneys' prosecutive policies are not consistent with the FBI's investigative priorities.
- FBI investigative guidance is not being followed or is inadequate.

These problems must be corrected or the FBI will continue to experience limited success in channeling investigative resources into those criminal areas where the need is greatest. We believe the Attorney General should establish national prosecutive guidelines which coincide better with the quality criteria advocated by the FBI and should provide for the approval of exceptions on a case-by-case basis. The Attorney General should also require the FBI to develop specific guidelines to preclude special agents from unnecessarily opening unproductive cases and duplicating the work of local authorities.

U.S. ATTORNEY PROSECUTIVE POLICIES
NOT COORDINATED WITH FBI QUALITY CRITERIA

In an earlier report 1/, we pointed out that FBI headquarters had not provided any criteria or standards, such as a monetary value, for determining which investigative areas and cases merited being classified as quality. The FBI corrected this condition by establishing agency-wide quality criteria. (See p. 2.) We also recommended that the FBI and offices of the U.S. attorneys establish mutually agreeable areas of investigative and prosecutive

1/"The FBI's System for Managing Investigative Resources and Measuring Results--Improvements Are Being Made" (GGD-78-1, February 15, 1978).

concentration to assure the best use of the Department's resources. Because the FBI has authority to investigate all complaints of Federal criminal violations within its jurisdiction, even where State and local agencies have concurrent jurisdiction, the U.S. attorneys' agreement is necessary if the FBI is to reduce its efforts on nonquality matters.

U.S. attorneys, as the chief law enforcement representatives of the Attorney General, are responsible for enforcing Federal criminal laws and for prosecuting criminal violations. Primarily because of staffing constraints, U.S. attorneys have had to establish priorities and be selective in prosecuting criminal violations. These priorities vary on paper and in practice from one jurisdiction to another and generally fail to coincide with the quality criteria that the FBI has established for interstate property crimes.

Need to raise the dollar limits
of blanket declination agreements

On November 7, 1978, the Deputy Attorney General said that the Justice Department's long-standing prosecutive policy regarding thefts from interstate shipment has been that "major" theft cases and cases involving repeat offenders are quality matters and should receive priority attention. Consistent with this policy, FBI investigative priorities define a major or quality case to include any theft over \$50,000 or thefts where violence is involved. Yet the prosecutive policies and practices of all 15 U.S. attorney offices we visited contradict the FBI's quality case criteria by requiring the FBI to investigate matters involving much lower money values. Such a requirement prompts the FBI to spend its resources on matters that our sample analysis showed are highly unlikely to be solved, are not Federal violations, and are ultimately not prosecuted. This use of resources is clearly in opposition to the quality standards that both the FBI and the Attorney General have been trying to implement.

Of the 15 U.S. attorneys contacted, 11 had blanket declination agreements with the FBI. These agreements provide for the automatic declination of any complaint under a specified dollar amount. The FBI pursues

these complaints only to confirm that a particular theft reported to them falls below the dollar amount specified by the U.S. attorney. The FBI then notifies the U.S. attorney that the matter will not be investigated because the guidelines have been met. The remaining four U.S. attorneys did not use blanket declination agreements generally because they wanted to decide each case on its own merits.

The blanket declination amounts established in the 11 U.S. attorney districts as shown below ranged from \$200 to \$5,000.

<u>District</u>	<u>Blanket dollar amount</u>	
	<u>Subject unknown</u>	<u>Subject identified</u>
1	1,000	1,000
2	5,000	(a)
3	5,000	5,000
4	1,000	1,000
5	1,500	(a)
6	5,000	5,000
7	1,000	(a)
8	5,000	5,000
9	2,500	500
10	1,000	1,000
11	200	200

a/ No blanket declination exists when a subject has been identified in the complaint.

The benefits from using blanket declination agreements can be substantial. For example, one FBI field office we visited would have had to open 75 additional cases during a 6-month period had a blanket declination not existed. Opening these cases would have meant a 52-percent increase over the number of cases opened during the 6-month period. More significantly, because of the blanket declination, the average staff hours spent on theft from interstate shipment violations dropped by nearly 50 percent compared to the time spent on these same matters before the adoption of the agreement. Other benefits mentioned by U.S. attorneys using blanket declination agreements were that they helped reduce fruitless investigations and redirect efforts to quality cases.

Four of the 11 U.S. attorneys commented that their declination agreement dollar levels were low and, of these four, three were contemplating increasing the dollar amounts to \$10,000. However, to correspond with the FBI's quality case criteria, existing dollar levels should be increased to \$50,000. As shown below, only 38 out of 145, about 26 percent, of the FBI's fiscal year 1978 investigations of thefts from interstate shipment met the \$50,000 monetary test for quality. This 26 percent of the caseload accounted for about 56 percent of the cases prosecuted by U.S. attorneys.

	<u>Range of dollar value</u>		
	<u>Total</u>	<u>Less than \$50,000</u>	<u>Over \$50,000</u>
Number of cases with known dollar value	145	107	38
Number of cases prosecuted	18	8	10

In the eight prosecuted cases having a theft value of less than \$50,000, the need for Federal involvement was questionable because the circumstances did not justify a Federal presence or because the local police were already investigating the case.

The low percentage of cases under \$50,000 being prosecuted raises the question of why U.S. attorneys' prosecutive priorities and FBI standards for quality cases cannot be more compatible. The Department of Justice has maintained that U.S. attorneys must have the flexibility to establish prosecutive guidelines depending on the conditions in their districts. However, crime statistics, discussions with law enforcement officials, and analysis of U.S. attorney workplans and prosecutive priorities all indicate that theft from interstate shipment is a widespread crime and not unique to only particular regions of the United States. Thus, while uniform prosecutive guidelines may not be feasible for all crime areas, their establishment for theft from interstate shipment violations has merit.

Need to follow exception criteria

The situation that exists for interstate car thefts is similar to that depicted for theft from interstate shipments: namely, a failure on the part of U.S. attorneys to coordinate

their prosecutive policies with the quality investigative priorities established by the FBI and the Department of Justice.

In March 1970, the Department of Justice issued guidelines specifying that individual or isolated car theft cases were not to be handled unless exceptional circumstances existed. The Department considered such circumstances to exist, for example, when

- the stolen vehicle was used in the commission of a separate felony for which punishment expected from a local court would be less than what could be meted out at the Federal level for car theft (5 years in prison or a \$5,000 fine or both) and
- the stolen vehicle was demolished, sold, or heavily damaged.

However, according to a Department of Justice official, the Department is aware that U.S. attorneys often do not comply with the national guidelines. Our work verified this noncompliance.

One U.S attorney, for example, claimed to adhere to the national prosecutive guidelines for individual car thefts, but in actual practice his office prosecuted individual car theft cases when exceptional circumstances did not exist. Two U.S. attorneys commented that they considered these types of cases excellent "training" material for new assistant U.S. attorneys and therefore some cases would be accepted for prosecution. Four U.S. attorneys said that they required FBI agents to contact or otherwise notify them of any interstate car thefts reported in order to decide each case on its merits rather than relinquish this responsibility to the investigating agency. Largely because of such practices by U.S. attorney offices, the FBI opened about 3,100 individual car theft cases in fiscal year 1978.

Of 53 individual car theft cases in our sample, only 18 cases (about one-third) satisfied the criteria spelled out by the Justice Department for exceptional circumstances and justified an FBI investigation. Conversely, 35 of the sampled cases, or roughly two-thirds, did not involve exceptional circumstances and thus should not have been opened according to Departmental guidelines.

Our sample further showed that U.S. attorneys infrequently prosecute cases having exceptional circumstances once the FBI has completed its investigation. Only 4 of the 18 sample cases categorized as having exceptional circumstances were prosecuted. In one prosecuted case, a suspect had 10 previous arrests for car theft and other crimes and had served a 2-year prison sentence; in another case, a suspect had been arrested 9 times (6 times for motor vehicle theft), had been convicted for motor vehicle theft, and had stolen a motor home valued at about \$23,000; in another case, the suspect had been arrested 3 times for motor vehicle theft and convicted on 2 occasions; and in another case, the suspect had 11 arrests for various offenses including interstate motor vehicle theft and had been convicted 4 times.

Need to establish quality prosecutive guidelines

As contrasted to the two property classifications discussed previously, prosecutive guidelines established locally by U.S. attorneys or nationally by the Department of Justice do not exist for thefts involving the interstate transportation of stolen property. Although the FBI has, on the basis of experience, defined a quality case as a theft exceeding \$50,000, Federal law provides that any theft involving the interstate transportation of stolen property of \$5,000 or more is a Federal offense matter. Therefore, the FBI investigates violations between \$5,000 and \$50,000 even though it believes these cases lack quality. The FBI has tried to remedy this situation without success by asking the Attorney General to request a change in legislation.

Federal jurisdiction over interstate thefts of stolen property originated with the passage of the "National Stolen Property Act" (18 U.S.C. 2314) in May 1934. The Congress chose to limit Federal jurisdiction to violations in which the stolen property value was \$5,000 or greater, so that the Federal Government would not be overburdened with cases.

Today, some 45 years later, the \$5,000 minimum for Federal jurisdiction is still in force. Inflation has taken its toll in that a loss suffered today would have

had a much different value in 1934. According to implicit price deflators, 1/ the \$5,000 value around 1934 is worth just over \$31,000 today. Yet current efforts to revise and update the Federal criminal code do not include a change to the existing \$5,000 criterion for determining Federal criminal jurisdiction.

In 1973, the acting FBI Director formally asked the Attorney General to consider requesting the statute be amended to raise the \$5,000 jurisdictional limit to not less than \$50,000. He cited the following two reasons:

--Inflation had taken its toll on property values since 1934 when the law establishing the \$5,000 minimum was enacted.

--FBI studies showed that investigative work on cases over \$5,000 and less than \$50,000 had not been productive.

The Assistant Attorney General for the Criminal Division responded formally that the Department of Justice would consider the matter; but according to an FBI headquarters official, no action was taken. The Assistant Attorney General referred to above said the Department currently does not favor a change in the law because of the concern that criminals will use the higher limitation to avoid Federal jurisdiction by committing crimes less than the legislated amount. He said that the extent to which this mentality prevails today is insignificant since the limit is \$5,000, but it could be more consequential if the limit were raised to \$50,000. In addition, he said the Department favors maintaining some measure of flexibility in choosing cases to prosecute versus eliminating Federal jurisdiction altogether.

Today, the FBI's attitude is mixed. Discussions with FBI officials showed that some still favored changing the law while others, including an official in the Property Crimes Unit in FBI headquarters, favored having the Attorney General direct the FBI generally not to investigate cases involving values below \$50,000. Those favoring the latter approach claimed that, by not changing the statutes, the

1/Using the implicit price deflators for the Gross National Product (fourth quarter of 1978) prepared by the President's Council of Economic Advisors, a value of \$5,000 in 1934 results in a value today of over \$31,000.

Government would maintain the needed flexibility to investigate and prosecute a case under \$50,000 if the circumstances so warranted. Regardless of the position taken, FBI officials still agreed that the dollar amounts of thefts being investigated were too small and that not all of these should be investigated.

FBI INVESTIGATIVE GUIDANCE NOT
FOLLOWED OR INADEQUATE

The FBI uses a manual of investigative operations and guidelines to aid field agents in making comprehensive and appropriate investigations. Some property crime guidance was not being implemented. In other areas additional guidance is needed or existing guidance needs to be restated and strengthened to avoid opening unproductive or insignificant cases.

Need to revise interstate transportation
of stolen property guidelines

The sample results discussed on page 7 showed that FBI investigations of interstate transportation of stolen property violations were almost entirely unproductive in terms of case solutions and prosecutions. A key reason for this is that FBI investigative guidance does not sufficiently encourage agents to rely on local police to determine that cases involve Federal jurisdiction or otherwise warrant FBI involvement. As a result, the FBI needs to improve its guidelines in this area.

Under existing FBI requirements, field agents are not to investigate thefts of property under \$50,000 unless evidence is sufficient to raise a reasonable inference that the stolen property was transported in interstate commerce or that organized crime figures were involved. Yet, 36 of 52 sample non-PCI cases in this crime classification had been opened (and subsequently closed--see p. 11) in the absence of a Federal violation. Agents opened these cases for one or more of the following reasons: (1) the estimated dollar value of the stolen property exceeded the legislated minimum of \$5,000; (2) the information received from a complainant, the police, or an informant indicated the property may have moved in interstate commerce; (3) the property stolen was the type likely to be transported across the State line; or (4) the FBI was advised that a theft took place in the proximity of the State line.

The validity and application of these case selection criteria are questionable in view of the fact that about 70 percent of the cases did not involve any Federal violation.

FBI guidance governing major property thefts (cases in which the value of the property stolen exceeds \$50,000) was a second problem area. Unlike that for minor thefts, FBI policy allows agents to assume, rather than determine, before opening a case that the property moved in interstate commerce. Case analysis showed this to be a poor basis for determining Federal jurisdiction. Of 32 cases opened solely on the basis of the dollar value given in the complaint or police report, the FBI closed 28 because it could not prove it had jurisdiction. Of the four remaining cases, two were declined by the U.S. attorney because the FBI failed to show Federal jurisdiction. The following examples show the general ineffectiveness of opening major cases under the current guidelines.

- A complainant reported the theft of scrap copper valued at about \$76,000. Rather than refer the caller to the police, the FBI opened a priority case because the value of the stolen property exceeded \$50,000. About 2 weeks later, the FBI was contacted by the complainant advising that no theft had occurred. Even though FBI investigative effort on the case was limited, this case indicates that high dollar value alone does not necessarily warrant a case being opened by the FBI.
- A complainant reported that inventory records showed missing property valued at about \$160,000. The FBI opened a priority case because theft amount exceeded \$50,000. This case was closed when FBI agents found no theft had occurred.
- The police notified the FBI about a reported theft involving property valued at about \$52,000. The information supplied did not indicate that interstate transportation was involved; however, the FBI opened a priority case because the value of the theft exceeded \$50,000. Nearly 5 months later, and after seven FBI offices assisted in the investigation, the FBI closed the case because movement in interstate commerce could not be shown.

Rather than open cases solely because the theft value is great, case openings could be more effective if other factors, such as the source supplying the information coupled with the quality of the information supplied, is considered. For example, of nine cases analyzed, only three resulted in property recovery or a Federal prosecution. In each of the three cases the local police either had confirmed Federal involvement on a property theft over \$50,000 or had asked the FBI to assist in an ongoing investigation. In one of the cases, which involved a theft of \$150,000 in tools and equipment, the local police made the initial investigation and contacted the FBI once evidence was obtained that the property had traveled in interstate commerce. The FBI assisted the local police in apprehending subjects in other States and in recovering part of the property. The local authorities prosecuted the case. Federal jurisdiction on this case was clearly established by the police and eliminated any duplication that would have otherwise occurred.

A third guideline causing problems prohibited FBI agents from accepting local police work already done. When a major theft occurs, FBI agents immediately begin an investigation and develop details of the theft, identify suspects, and obtain a description of the stolen property. The guideline specifically states that mere liaison contact with local authorities for purposes of following the progress of the police investigation is not acceptable. Such guidance results in duplication and does not appropriately recognize the role and capability of local police in property crime investigations.

On major thefts, the FBI is reluctant to wait until the police determine that an interstate violation has occurred. One concern expressed by FBI officials was that any leads would be "cold" by the time the police would determine Federal jurisdiction and contact the FBI. Analysis of sampled cases shows the FBI's concern about becoming immediately involved in these cases is invalid since the FBI does not immediately respond to all major property thefts anyway. Where we could determine it from data in FBI case files, the FBI did not begin its investigation in half the sampled high priority interstate transportation of stolen property cases until some time after having been notified about the theft. The following table shows the number of days elapsed after the FBI was notified of the theft before it began the investigation.

Sampled cases	Days			
	Same	1 to 5	6 to 10	Over 10
89	45	24	6	14

The maximum elapsed time before the FBI began its investigation ranged from 18 to 36 calendar days depending on the location visited.

In addition, our review showed that in 45 of the 89 cases the FBI did not even receive notification until some time after the theft. More than 7 calendar days had elapsed in 25 of these cases. These statistics, in our opinion, further emphasize the need for the FBI to coordinate these types of matters with the local police to determine if a theft actually occurred and whether Federal assistance is needed.

Need to improve guidelines for
thefts from interstate shipment

FBI efforts to investigate thefts from interstate shipments are hindered by the lack of guidelines or the lack of adherence to existing guidelines. As a result, nonquality cases are being investigated. The FBI needs to establish new guidelines and insure that existing guidelines are followed. The next two examples demonstrate the problems caused by not following existing guidelines.

Under a requirement governing theft from interstate shipment violations, the FBI must within 5 days investigate any complaint reported several days or longer after the complainant determined that property was stolen or missing. At least 19 of our total 178 cases sampled, however, did not conform to this guideline. In seven of them, cases were not opened and investigations not begun until at least 20 calendar days had passed. The longest waiting period was 39 days. Generally law enforcement officials said that it is imperative that these crimes be responded to within a very short time while leads are still traceable. A delayed response substantially minimizes the already slim chance that such thefts could be solved.

Another theft-from-interstate-shipment guideline advises field agents to present the facts of minor complaints to the U.S. attorney for prosecutive opinion when no known aggravating or unusual circumstances surrounding the theft exist. If the U.S. attorney will not consider prosecution even if the FBI could solve the case, then the FBI is not supposed to conduct an investigation. In 69 of 76 cases, had this guideline been followed, investigative effort would have been avoided. For example, in 1 FBI office visited, 13 non-PCI cases were opened that should not have been.

CONCLUSIONS

The FBI will not fully achieve a quality property crime caseload until U.S. attorney prosecutive policies and FBI investigative priorities become compatible. The FBI handles numerous unproductive matters that fall far below the quality standards that the FBI has established to maximize its impact on major property crimes because U.S. attorneys require the FBI to investigate them. For thefts from interstate shipments, the FBI believes it must concentrate mostly on thefts over \$50,000, yet U.S. attorneys generally have prosecutive guidelines that require FBI involvement in thefts far below that amount. The FBI has tried without success to limit its involvement in interstate transportation of stolen property to quality cases of \$50,000 or more. Again, however, U.S. attorneys require FBI involvement for most offenses exceeding \$5,000, the legal minimum establishing Federal jurisdiction.

The FBI could minimize its involvement in nonquality matters by following and improving its investigative guidelines. The FBI could, for example, rely more on the police to determine if a Federal violation has occurred and if the FBI's presence is warranted before it opens a case and commits resources to an investigation. Presently, guidelines that could prevent a case opening or avoid wasted effort are ignored or do not exist.

Although the FBI can correct much of the problem with its own investigative guidelines, it will need the Attorney General's help in achieving the desired coordination with U.S. attorneys. Any efforts to rid the FBI of its many unproductive and marginal property matters should result

in a much more effective and efficient FBI property crimes program aimed at major crimes and the persons who commit them.

RECOMMENDATIONS TO THE ATTORNEY GENERAL

We recommend that the Attorney General direct U.S. attorneys to change their prosecutive policies to agree with the FBI's current criteria for quality property cases.

We further recommend that the Attorney General require more consistent application of prosecutive policies and practices among U.S. attorney offices. This requirement should allow the attorneys to retain the flexibility to prosecute, and therefore require the FBI to investigate, those matters not meeting the quality criteria but involving highly exceptional circumstances warranting Federal involvement.

We recommend that the Attorney General require the FBI to develop specific guidelines to preclude the opening of cases that lack priority and duplication of work done by State and local authorities. The new guidelines should

- require immediate investigations of quality cases when Federal jurisdiction is clear and should emphasize the need to close quality cases expeditiously when initial investigative work reveals no leads,
- require the FBI to refer interstate property violations not qualifying for immediate FBI investigation under its priority criteria to local authorities for initial disposition and to cooperate with the authorities in their investigation when they seek assistance,
- prohibit the opening of interstate transportation of stolen property cases unless interstate movement has been positively determined or until sufficient evidence based on reliable factors indicates interstate transportation has occurred, and

--stress the importance of relying more on the police to make an initial determination of Federal jurisdictional authority and of determining whether to involve local authorities before beginning an investigation of a matter falling within the quality guidelines.

RECOMMENDATION TO THE CONGRESS

We recommend that the the Congress strike the reference to \$5,000 from the law (18 U.S.C. 2314) so that Federal jurisdiction can be directed to those quality offenses where an expenditure of Federal resources would have the most impact on the Nation's property crime problem. This would bring interstate transportation of stolen property violations in line with other property statutes in not requiring a monetary standard for determining Federal jurisdiction.

CHAPTER 4

REVIEW SCOPE AND METHODOLOGY

We reviewed the FBI's general property crimes program because property crimes comprise a large share of the FBI total work force and caseload. We concentrated on the principal interstate property crimes of (1) theft from interstate shipment, (2) interstate transportation of stolen motor vehicles or aircraft, and (3) interstate transportation of stolen property. Taken together, these three classifications comprised about 91.5 percent of the FBI's fiscal year 1978 property crime investigative workload. Property crimes comprising a portion of the remaining investigative workload were such violations as offenses committed on vessels of American registry on bodies of water outside the jurisdiction of a State and the willful destruction or attempt to destroy an aircraft or passenger-carrying motor vehicle engaged in interstate or foreign commerce.

SELECTION OF LOCATIONS

Our principal field work was performed between November 1978 and May 1979 and included detailed FBI case reviews at six FBI field offices. We selected field offices where property crimes comprised a large share of the total workload, i.e., cases opened and total workhours. The six offices selected and their respective property crime workload and investigative time percentages for fiscal year 1978 follow.

<u>FBI field office</u>	<u>Percent of property crime case openings to all cases opened</u>	<u>Percent of property crime investigative hours to total workhours</u>
Atlanta	15	18
Cleveland	15	14
Detroit	14	13
Miami	14	9
Newark	15	14
New York	9	5

For fiscal year 1978, the property crime case workload of these six offices alone represented about 20.5 percent of the FBI's total caseload in the property area.

We also made short-term visits to the Albany, Albuquerque, Birmingham, Buffalo, Houston, Los Angeles, and San Francisco FBI field offices. These seven offices were chosen to obtain national coverage and because they each had an unusually high or low workload in one or more of the three interstate property classifications reviewed. The property crime case workload of these seven offices was about 13.3 percent of the FBI's total caseload in property crimes for fiscal year 1978. This brings our combined workload coverage in property crimes for all offices reviewed to about 34 percent.

Among the areas covered for interstate property crime cases at the 13 FBI field offices were:

- Case characteristics.
- Investigative methods.
- Involvement and coordination with local police.
- U.S. attorney's involvement and coordination with local prosecutors.
- Results and accomplishments obtained from investigation.

At each location we also interviewed U.S. attorneys, local prosecutors, and local law enforcement officials to determine investigative and prosecutive policies and coordination between the Federal and local agencies. Comments from these officials were obtained on such topics as caseload statistics, prosecutive declination agreements, and problems in prosecuting cases. We visited 15 U.S. attorney offices because some FBI offices worked with more than one U.S. attorney.

Because interstate property crimes fall within the jurisdiction of local law enforcement as well as Federal authorities, we attempted to follow up FBI investigations at the local level to determine if

- FBI efforts preempted, duplicated, or in any way influenced the investigative efforts of the police;

- the local agency's investigation was hampered due to its jurisdictional boundaries, lack of expertise, or financial or staff resource shortages;
- the FBI coordinated its investigation with the police; and
- local efforts were stopped due to the likelihood of not solving the crime.

We selected police locations where departments had the most FBI sampled cases within their jurisdiction. However, we considered the need to acquire a mixture of big city and rural police cases as well as the need to ascertain the experiences of police at the State, county, and local levels.

To relate an FBI investigation to a similar one done by the police, we tried to obtain certain information from the FBI case file, such as police report number, officer's name, description of theft (date, property amount and quantity, location), and the name of the victim and any suspects. Our ability to identify cases at the police departments was limited, however, largely because FBI case files often did not contain the above information. When data was available, we encountered problems at the police departments: (1) police officers responsible for the case no longer worked with the department and nobody else could authoritatively answer questions regarding the extent and results of the investigation, (2) case files had been destroyed due to office policies on destruction of unsolved case files, or (3) the police had no record of being involved in the case.

SELECTION OF UNIVERSE AND SAMPLE

For purposes of this review, we needed to determine the number of Theft from Interstate Shipment, Interstate Transportation of Stolen Motor Vehicles, and Interstate Transportation of Stolen Property cases closed in fiscal year 1978 by the six FBI field offices selected for detailed review. In addition, we were interested in only those cases where the selected field office had primary investigative responsibility (office of origin cases) as contrasted to all other FBI cases where a field office assists an office of origin on its investigation.

To select the appropriate cases, we obtained FBI Master Assignment Cards prepared for the property cases closed at each selected location during fiscal year 1978. To insure consistency in ascertaining the case universe, we imposed further conditions affecting case selection. Briefly,

--cases opened and closed before fiscal year 1978 and reopened and reclosed possibly several more times were included in the universe as long as they were last closed in fiscal year 1978;

--cases that may have been opened as office of origin but later given an auxiliary designation and cases that were closed in fiscal year 1978 but consolidated with other related cases currently active were excluded from our sample; and

--cases closed during fiscal year 1978 but, according to FBI agents, due to be reactivated were likewise excluded from our universe.

These criteria were applied to the list of closed cases and the resulting product became our universe for statistical sampling purposes.

According to FBI Resource Management Reports, 63 percent of all property crime cases in fiscal year 1978 were low priority (non-PCI) matters. Because of the predominance of low priority cases and the FBI's commitment to spend more resources on PCI cases, we selected a sample that would be both representative of the FBI's entire caseload and would enable us to address the PCI caseload with a higher degree of certainty than the low priority cases. To achieve this, we divided our lists into two universes--one for high priority cases, the other for low priority cases--for each property theft classification. After determining the size of the universes, we used a random numbering scheme to select the sample cases. In all, 2,953 cases comprised the total universe from which 467 were sampled. Of these 467 cases, 277 were PCI matters while the remaining 190 cases were low priority matters. In terms of the three principal property crime classifications reviewed, our universes and sample sizes were as follows:

<u>Property crime classification</u>	<u>PCI cases</u>		<u>Non-PCI cases</u>	
	<u>Universe size</u>	<u>Sample size</u>	<u>Universe size</u>	<u>Sample size</u>
Theft from interstate shipment	423	93	1,237	85
Interstate transportation of stolen motor vehicles	142	85	452	53
Interstate transportation of stolen property	<u>349</u>	<u>99</u>	<u>350</u>	<u>52</u>
Total	<u>914</u>	<u>277</u>	<u>2,039</u>	<u>190</u>

COMPILATION AND PROJECTION OF CASE DATA

In lieu of direct access to property crime case files, our review data was compiled, almost exclusively, through interviews with FBI agents. Where possible, we obtained original records of documents (e.g., laboratory reports, rap sheets, case synopses) the FBI did not consider sensitive and used them to supplement and corroborate agent information.

Because of the unique problems presented by data collection at six different audit sites, a special data collection instrument was devised to assure the consistency and completeness of data gathered. The instrument, a pro forma schedule addressing FBI investigative guidance, policy, and procedure for each crime classification reviewed, was developed on the basis of discussions with FBI agents.

From the data collected on our sampled cases, we made projections to the universe at the 95 percent confidence level by type of crime, by priority, and for the three interstate crimes analyzed.

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