

EVER VIGILANT



Performance and Accountability Report

Federal Law Enforcement Training Center

Fiscal Year 2003



**Homeland
Security**

Federal Law Enforcement Training Center





The Federal Law Enforcement Training Center (FLETC) was established by Treasury Order 217 on July 1, 1970, as a bureau within the Department of the Treasury. Originally located in Washington, DC, the FLETC relocated its headquarters and main training center to Glynco, Georgia in 1975. In 1989, the FLETC expanded its operations to Artesia, New Mexico with the purchase of a 2,200-acre site that supports the Bureau of Indian Affairs and other advanced training needs. In FY 1991, the U.S. Border Patrol established a temporary training site in Charleston, South Carolina. The FLETC supported the U.S. Border Patrol operation at the temporary training site, which became a permanent training facility under Public Law 108-7 enacted by the U.S. Congress in February 2003. In FY 2001, the FLETC added a 247-acre facility in Cheltenham, Maryland, principally, for firearms and driver re-qualification training for Federal law enforcement officers in the metropolitan DC area. The facility is planned to be fully operational in FY 2004. The FLETC transferred to the Department of Homeland Security (DHS) on March 1, 2003.

The FLETC is an interagency center providing training to over 75 partner organizations and many more space-available agencies. The FLETC is currently expanding its facilities to meet the demands for law enforcement training - basic, advanced, re-qualification, state/local, and international.

Overall policies and participation of the FLETC are governed by a Memorandum of Understanding which is signed by the agencies participating in training. An Interagency Board of Directors, chaired by the DHS Under Secretary for Border and Transportation Security, sets policies on training matters. There are eight members of the Board, five voting and three non-voting members.

The voting members are:

- Department of Homeland Security
- Department of Justice
- Department of Interior
- General Services Administration
- Term Representative (currently vacant)

The non-voting members are:

- Office of Management and Budget
- Office of Personnel Management
- U.S. Capitol Police

The Board of Directors meets quarterly. Typically, the meetings alternate between Washington, DC and Glynco, Georgia.



*Preserving Our Freedoms, Protecting America...
We Secure Our Homeland.*

Performance and Accountability Report

Federal Law Enforcement Training Center

FY 2003



Homeland Security

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Executive Summary

This is the eighth consecutive annual Performance and Accountability Report (PAR) published by the FLETC.

The report includes messages from the FLETC's Director and the Chief Financial Officer, FY 2003 Highlights, Management Discussion and Analysis, Federal Managers' Financial Integrity Act Summary, Accountant's Compilation Report, Financial Statements, Notes to the Financial Statements, Custodial Financial Statements, and Supplemental Information. The Management Discussion and Analysis section addresses the FLETC's organizational structure, mission, vision, performance goals, and trends.

A copy of the FLETC's FY 2003 PAR is available for public review and downloading at the FLETC's Web Page: <http://www.fletc.gov/contents/>.



Message From The Director

Federal Law Enforcement Training Center
U. S. Department of Homeland Security
1131 Chapel Crossing Road
Glynco, Georgia 31524



Homeland Security

Fiscal Year 2003 was an exceptionally productive year that was culminated by the FLETC's historic transfer from the Department of the Treasury to the Department of Homeland Security (DHS) in March 2003. Operationally, over thirty seven thousand law enforcement officers and agents completed their training, the highest number of students trained in a single fiscal year in the FLETC's history. This tremendous accomplishment clearly signifies the FLETC's continuing endeavor to meet the challenges of law enforcement training, both domestic and international, and to support the national efforts of combating terrorism and protecting the U.S. borders and interests.



The successful transfer of the FLETC to DHS resulted from the enormous coordination and professionalism demonstrated by the FLETC staff. Throughout the transition to DHS, the FLETC staff's resourcefulness was prevalent in expeditiously responding to a vast array of data calls and position paper requests, as well as the precise valuation and inventory of resources, and the timely conversion of financial records. The FLETC's unwavering support during the start-up of the DHS was further substantiated by the proactive, enthusiastic participation of the FLETC in various functional workgroups within the DHS. I commend the FLETC staff for their relentless efforts and tenacity leading to the smooth transition of the FLETC to the DHS.

The upbeat FY 2003 training statistics indicate the FLETC's ability to meet the training needs of the partner organizations and other law enforcement agencies, despite being challenged to overcome facility constraints. The ongoing collaboration with the partner organizations enhances the FLETC's ability to optimize law enforcement training in a consolidated form. Some of the training initiatives designed to counter the rising threats of terrorism are highlighted in this issue of the Performance and Accountability Report. With a highly motivated and dedicated staff, the FLETC is steadfastly determined to provide the most cost-effective training to law enforcement officers and agents. Our history documents the creativity of the FLETC and partner organizations' employees to deliver our very important mission.

The FLETC will be challenged as the concept of consolidated federal law enforcement training evolves within the framework of the DHS. Soon, the driver and firearms training facility in Cheltenham, MD will become fully operational and the Charleston, SC training site operation will transition to the FLETC. I am highly confident that the FLETC's cadre of hardworking, talented professionals will continue to persevere and remain resolute in sustaining the FLETC's mission that is so focal in homeland security.



Connie L. Patrick

Connie L. Patrick
Director
Federal Law Enforcement Training Center

Message From The Chief Financial Officer

Federal Law Enforcement Training Center
U. S. Department of Homeland Security
1131 Chapel Crossing Road
Glynco, Georgia 31524



Homeland Security

I am very pleased to present the FLETC Performance and Accountability Report (PAR) for Fiscal Year 2003, which is the first issue under my cognizance as the Chief Financial Officer (CFO). Indeed, it is with great pleasure to address the FY 2003 PAR, especially during a historic era that included the transfer of the FLETC to the newly established Department of Homeland Security (DHS) on March 1, 2003.



I am very proud of the notable achievements in financial management in FY 2003. The FLETC CFO Directorate staff has clearly demonstrated the technical competence and “can-do” attitude in successfully closing the financial records in the legacy Department of the Treasury accounts and converting them to the new DHS appropriations. This massive undertaking in the middle of a fiscal year was accomplished transparently with no impact to the FLETC’s training mission. The overall smooth transition to DHS was indicative of the foresight, flexibility, dedication, persistence, and teamwork of everyone involved.

The FLETC sustained its superb performance in financial reporting in FY 2003. The requirement for a monthly ‘3-Day Close’ was met both under the Treasury and DHS. Similarly, the FLETC met all deadlines for the accelerated year-end close. All due dates for financial reporting and the submission of year-end audit deliverables were handily met. Additionally, the FLETC fully supported and provided materials for the DHS year-end financial audit. The FLETC has established a solid reputation as a frontrunner in financial reporting within DHS.

The transfer of the FLETC to DHS is providing us ample opportunities to assess and re-engineer our business and financial processes. I look forward to the challenges of supporting the FLETC mission as it evolves toward new law enforcement training frontiers. I feel highly confident that the FLETC CFO Directorate staff will continue to demonstrate high professionalism, positive attitude, and strong motivation to excel in all undertakings.



Alan Titus

Alan Titus
Chief Financial Officer
Federal Law Enforcement Training Center

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Federal Law Enforcement Training Center



Homeland Security

Highlights

Fiscal Year 2003

FY 2003 Highlights

The FLETC has been in operation since 1970 and has evolved through many changes during its 34 plus years of operation. Two of the most notable events in its history were the selection of Glynco, Georgia as the headquarters site in 1975 and its transfer to the Department of Homeland Security (DHS) in 2003. The original intent of the interagency law enforcement training task force that created the FLETC was to establish the FLETC as a provider of consistent, high quality law enforcement training programs in state-of-the-art facilities.

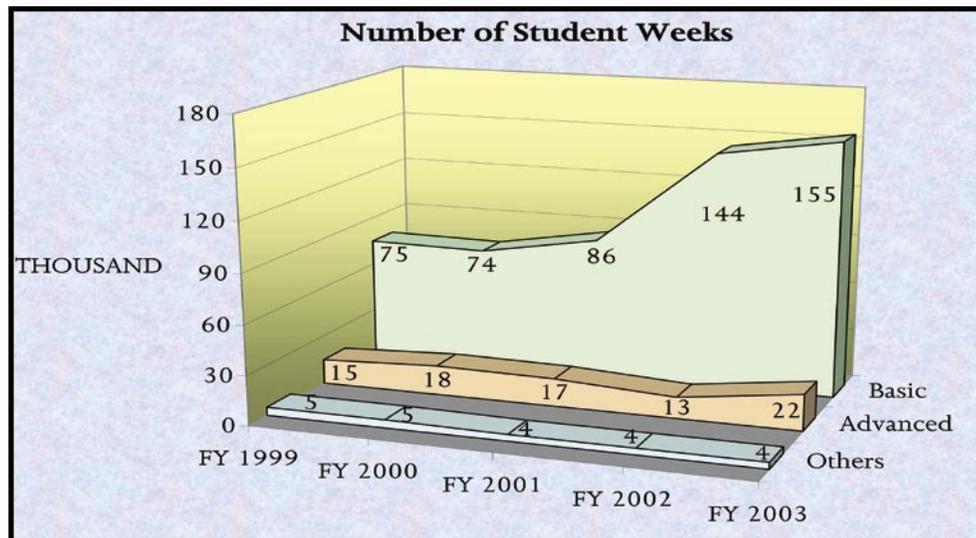
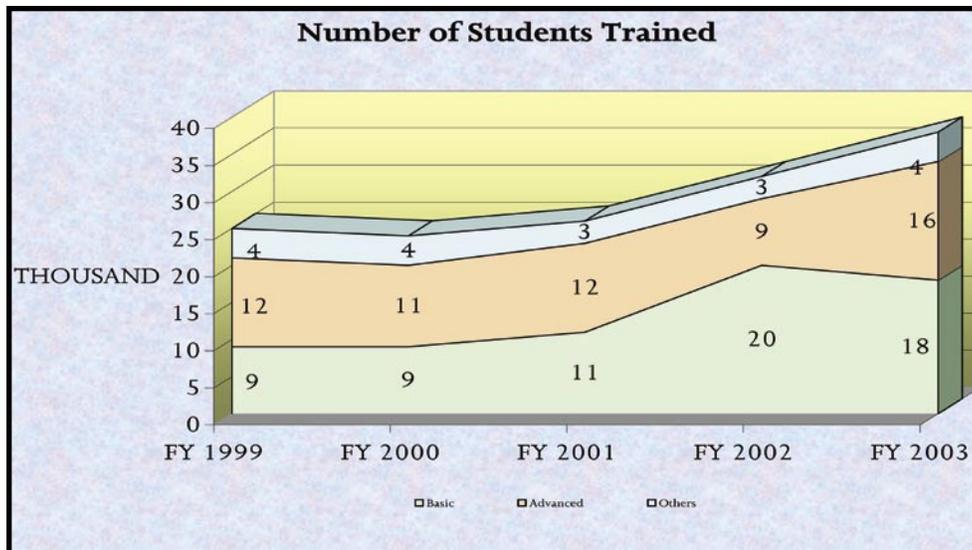
In FY 2003, the FLETC has sustained its vital role in the U.S. efforts of combating terrorism. The following selected highlights reflect the most recent accomplishments in support of FLETC's partner organizations and in furtherance of FLETC's training mission:

Training Operations

- Customs and Border Protection Integrated (CBPI) Training Program. With the establishment of the Customs and Border Protection within DHS, the FLETC merged the former U.S. Customs Service (USCS) and Immigration and Naturalization Service (INS) Integrated Training Programs and created the new CBPI Training Program. This program will be used to train CBP inspectors who formerly worked for the USCS or INS.
- Suicide Bomber Awareness Course. The FLETC continues to make great strides in the development of a Suicide Bomber Awareness course for all basic training programs. In support of this initiative, extensive liaison has been made with members of the Israeli Security Agency, who hosted a visit by FLETC staff in FY 2003.
- Internet Forensics Training Program. The FLETC developed and conducted two pilot programs for the Internet Forensics Training Program. The program provides investigators with the skills, tools and techniques necessary to investigate intrusions into the U.S. critical infrastructure, including secured sensitive data stored in government computer systems.
- Digital Photography. The FLETC transitioned from 35mm to digital photography in the Enforcement Techniques Division basic Criminal Investigations Training Program. The digital photography enables the investigators to receive instant feedback during the evidence and crime scene collection process. This training primes the law enforcement officers with the advancing state of technology in digital storage of all evidence, interviews, and investigations.
- Flight Deck Officer Training. The initial Flight Deck Officer Training graduated 49 commercial pilots at the Glynco campus. The training program was transferred to the Artesia training facility with the first class of commercial pilots graduating in September 2003.



Number of Students Trained and Student Weeks FY 1999 - FY 2003



The number of students trained and student-weeks of training have grown tremendously over the past five years. The number of students and number of student-weeks have increased by 52% and 91% respectively, since FY 1999, with the biggest jump attributed to the post-9/11 training requirements for additional Federal law enforcement officers that continued through FY 2003.

FY 2003 Highlights

- First Responder Training Program (FRTP) - The National Center for State and Local Law Enforcement Training has received an overwhelming demand for the FRTP. The FRTP entails the initial response of law enforcement personnel to major incidents that range from criminal acts to natural disasters. The FLETC Office of State and Local Training delivered 12 programs to 11 states and one U.S. Territory in FY 2003.
- Practical Applications Branch (PAB). The PAB was established in the FLETC Enforcement Operations Division to enhance the consistency in the evaluation of the integrated labs and practical exercises in the basic training programs. The improved course evaluation and cross-training of the detailed instructors at the PAB will improve the overall quality of law enforcement training at the FLETC.
- Legal Examination Website. In an effort to reinforce the students' classroom retention of important legal subjects, the FLETC Legal Division established a website dedicated strictly to practice legal examinations. New practice test questions on diverse legal subjects and specific classes of federal law enforcement agencies were posted at the website.
- International Law Enforcement Academy (ILEA). The FLETC completed numerous training evolutions in support of the ILEA as follows:
 - Conducted the Training Needs Assessment to determine the specialized training requirements of five African countries (Djibouti, Ethiopia, Kenya, Seychelles, and Uganda) that will participate in ILEA Gaborone training program beginning in FY 2004.
 - Coordinated and moderated the Southern African Bankers' Money Laundering, Corruption, and Financial Crimes Symposium jointly sponsored by the ILEA Gaborone and the U.S. Agency for International Development.
 - Developed a training course dealing with terrorist financing for inclusion in the ILEA curriculum in Gaborone, Africa.
- International Programs Division (IPD). The FLETC IPD initiated the development of the Trafficking in Persons Training Program that encompasses law enforcement professional investigative and prosecutorial training dealing with the global criminal phenomenon of trafficking in persons. Also, the IPD conducted the International Banking and Money Laundering Training in Moldova, Botswana, and Argentina.
- Distributed Learning Program (DLP). As of September 30, 2003, over 29,000 students registered in the FLETC DLP. Enhancements to the FLETC DLP include increased courseware of over 7,000 hours of college credits, continuing education units and program specific certifications; input of instructor scores (manual grading); virtual classroom integration for synchronous conferences and e-meeting technologies; automated e-mail notification of scheduled events; and data interoperability for easy access to the e-learning portal.

Training Support

- **Radio Support Communications.** The FLETC Glynco campus upgraded its mission support communications from a simplex radio system to a multi-channel trunking system. The trunking system enables the students to train hands-on with the latest technology in federal communications. It also allows the FLETC to monitor radio usage and to expand the amount of radios and talk groups with the capacity to handle over 8,000 calls in a 24 hour period.
- **Facility Construction and Renovation.** The FLETC continues to upgrade its facilities through an extensive and well-managed construction and renovation program. New facilities completed in Artesia, NM include the 47,360 square feet Administrative Building and 20,000 square feet Student Cafeteria. The construction of the 22,622 square feet Mock Port of Entry Building and renovation of 12 buildings were completed in Glynco, GA. Ongoing building construction and renovations in Cheltenham, MD include a 108-point indoor state-of-the-art firearm range complex and a 1.3-mile multi-use, topographically varied driver training facility.
- **Hotel-type Student Lodging.** The first build-lease 300-room dormitory came on-line in October 2002, followed by the second dormitory in January 2003. The third dormitory was turned over to the FLETC in December 2003.
- **Facility Expansion.** The FLETC purchased a 20-acre tract, including a 135,000 square feet building adjacent to the Glynco, GA campus.
- **Payroll Time and Attendance (T&A).** The FLETC successfully migrated to the WebStar T&A module of the National Finance Center payroll system. The user-friendly WebStar on-line function and accessibility enhance the expeditious input and accuracy of personnel timekeeping data.
- **Purchase Card Interface.** The FLETC implemented a purchase card interface with the core financial management systems software in support of the DHS centralized purchase card payment program performed by the U.S. Coast Guard. The centralized payment program will maximize the rebate earnings offered by the purchase card contractor to DHS.
- **Information Technology (IT).** The FLETC Information Systems Division (ISD) has significantly improved the delivery of IT services and support to customers. The ISD relocated to a new Data Center and modernized the network services from a legacy Novell environment to a state-of-the-art Microsoft environment. The desktop operating system and office automation tools were updated, including the replacement of a legacy e-mail system with a Microsoft Exchange system. A new Wide Area Network (WAN) was implemented to support the transition from the Treasury Department to DHS. The new WAN provides greater security, reliability and enhanced capabilities in support of the FLETC's mission.

FY 2003 Highlights

Training Conducted – FY 2003

CATEGORY:	STUDENTS	STUDENT-WEEKS	ARSP*	PERCENT OF TOTAL STUDENT-WEEKS
GLYNCO:				
Basic	15,045	116,942	2,249	64.7
Advanced	9,182	12,664	244	7.0
State/Local	530	872	17	0.5
International	49	72	1	0.0
Subtotal	24,806	130,550	2,511	72.2
ARTESIA:				
Basic	1,179	11,410	220	6.3
Advanced	1,566	2,762	53	1.5
State/Local	67	50	0	0.0
International	0	0	0	0.0
Subtotal	2,812	14,222	273	7.8
CHARLESTON:				
Basic	1,422	27,122	526	15.0
Subtotal	1,422	27,122	526	15.0
CHELTENHAM:				
Basic	0	0	0	0.0
Advance	4,368	4,891	94	2.7
Subtotal	4,368	4,891	94	2.7
EXPORT:				
Basic	0	0	0	0.0
Advanced	1,209	1,401	27	0.8
State/Local	3,076	2,673	51	1.5
International	0	0	0	0.0
Subtotal:	4,285	4,074	78	2.3
RECAP:				
Basic	17,646	155,474	2,995	86.0
Advanced	16,325	21,718	418	12.0
State/Local	3,673	3,595	68	2.0
International	49	72	1	0.0
Grand Total:	37,693	180,859	3,482	100.0

*ARSP = Average Resident Student Population

The FLETC used 180,859 student-weeks to train 37,693 students in FY 2003, an increase of 20,182 student-weeks or 13% from FY 2002 levels. Of the total student-weeks, 86% and 12% were attributed to the basic and advanced training programs, respectively.

U.S. Department of Homeland Security
Federal Law Enforcement Training Center



Homeland Security

Management Discussion and Analysis

Fiscal Year 2003

Management Discussion and Analysis

Introduction

The FLETC is an interagency organization that provides law enforcement training to the majority of Federal law enforcement officers. The FLETC also trains State, local, private sector security, and international law enforcement officers. The number of agencies attending training and the number of students trained and student-weeks delivered have steadily increased over the FLETC's 34-year history.

Prior to the FLETC's establishment in 1970, the quality of training received by Federal law enforcement officers varied greatly among federal agencies.

Standardized training was an unexplored concept, and inadequate facilities and redundancy were prevalent as each agency independently trained its own officers. Studies conducted in the late 1960s revealed an urgent need for high-quality, cost-effective training by a cadre of professional instructors using modern training facilities and standardized course content. The U.S. Congress responded by authorizing funds for planning and constructing the Consolidated Federal Law Enforcement Training Center (CFLETC), later named the FLETC.

After beginning operations in Washington, DC, the FLETC headquarters was relocated to Glynco, Georgia in 1975. Located on the southeast Georgia coast, the Glynco training center has classroom buildings, dining and residence halls, and state-of-the-art facilities for firearms, physical, driver, marine, and computer-based training activities. A similar, but smaller training center is located in Artesia, New Mexico. Artesia, which opened in late 1989, accommodates training principally for the Bureau of Indian Affairs and other law enforcement personnel located in the western United States. In FY 1991, a temporary training center was established by the U.S. Border Patrol in Charleston, South Carolina to accommodate training for the U.S. Border Patrol. In May 2001, the former Naval Communications Detachment facility in Cheltenham, Maryland, was transferred to the FLETC for conversion into a firearms and vehicle training facility that will be used principally for in-service and re-qualification for Federal law enforcement officers and agents in the metropolitan Washington, DC area. In February 2003, Public Law 108-7 established Charleston as a permanent training facility to be operated under the direction of the FLETC.

Originally, only a handful of agencies trained at the FLETC. Today's FLETC primarily serves as an interagency law enforcement training organization for more than 75 Federal agencies. A majority of the partner organizations have transferred portions or all of their law enforcement training operations to one of the FLETC's residential sites. These training offices and academies coordinate the training activities of their personnel and conduct advanced and agency-specific training programs. Additionally, other Federal, State and local organizations, along with international law enforcement officials, train at the FLETC on a space-available basis. The growth



Federal Law Enforcement Training Center, Glynco, Georgia

in the number of agencies that train at the FLETC clearly substantiates the success and resiliency of the consolidated training concept, as well as the quality and cost effectiveness of the training provided.

Major instructional areas include firearms, driver training, physical techniques, legal, security specialties, enforcement techniques, enforcement operations, financial fraud, and behavioral science. The major portion of the Center's training activity is devoted to basic programs for criminal investigators and uniformed police officers who have the authority to carry firearms and make arrests. The basic programs consist of classroom instruction and hands-on practical exercises. Students must apply their classroom knowledge during exercises that simulate typical situations encountered on the job. To add realism, these exercises often involve contract role players who act as victims, witnesses or suspects.

At the FLETC, students learn not only the responsibilities of a law enforcement officer, but through interaction with students from many other agencies, they also become acquainted with the missions and duties of their colleagues. This interaction provides the foundation for a more cooperative Federal law enforcement effort.

The instructor pool at the FLETC consists of permanent FLETC employees and Federal officers and investigators on short-term assignment from their parent organizations. This mix of permanent and detailed instructors provides a balance of experience and fresh insight from the field.

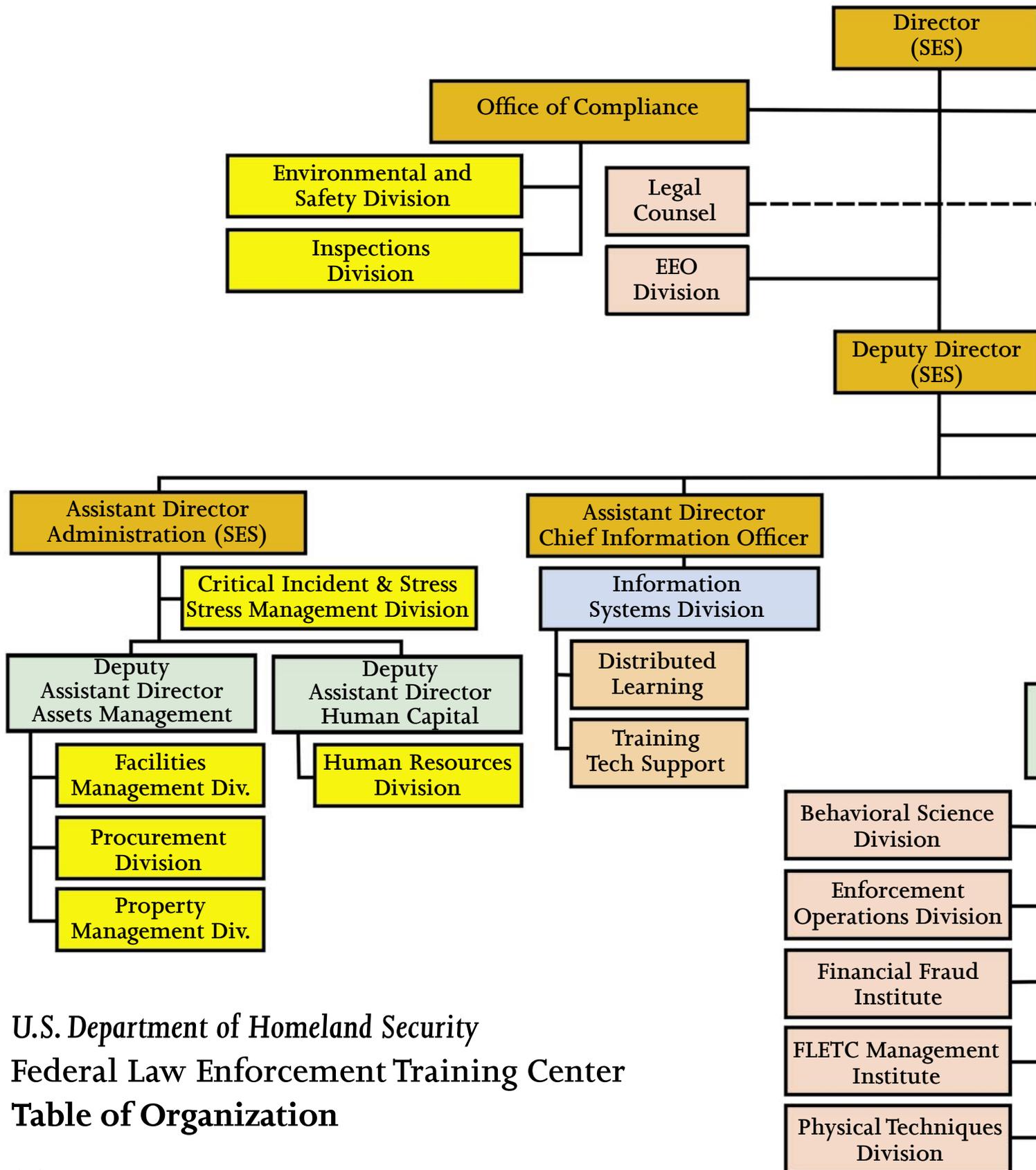
Organization

The FLETC reports to the Border and Transportation Security Directorate within the DHS and is headed by a Director and a Deputy Director. Organizationally, the FLETC is divided into five directorates led by Assistant Directors, four who report to the FLETC Deputy Director and the Chief Financial Officer (CFO) who reports to the Senior Associate Director for Washington Operations. The following describes the elements in the Table of Organization:

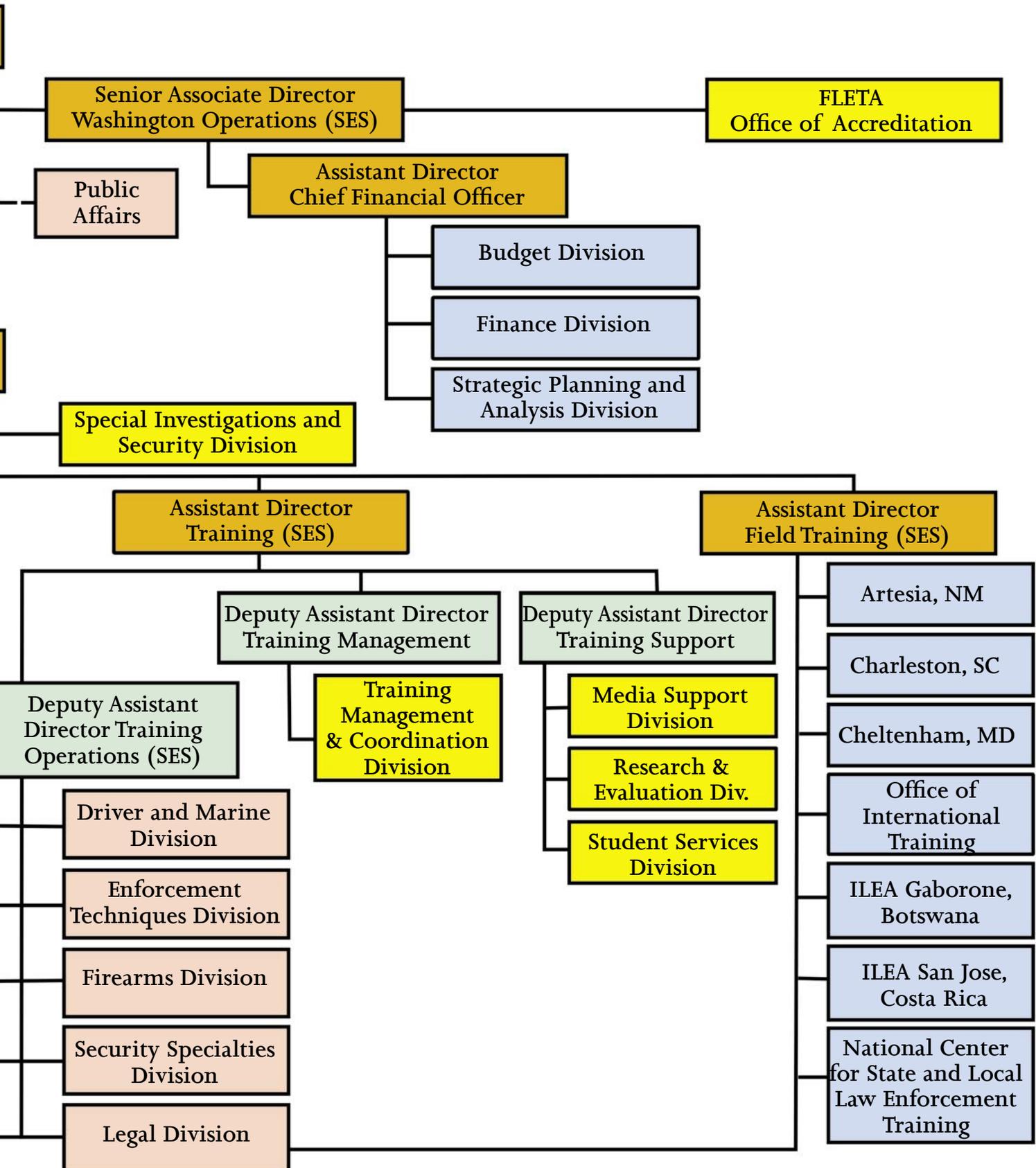
Office of the Director: The Office of the Director administers the activities of the FLETC and is responsible for accomplishing its mission. The Director provides overall direction for the operation of the FLETC's programs within the objective of ensuring effective, efficient and economical administration. The Director develops, manages and directs the FLETC's programs. Also, the Director serves as the Executive Secretary of the Federal Law Enforcement Training Accreditation (FLETA) Board. Staffs attached to this office include the Office of the Deputy Director, Senior Associate Director for Washington Operations, Equal Employment Opportunity, Legal Counsel, Public Affairs, and the Office of Compliance. These personnel assist the Director in accomplishing the mission of the FLETC by providing coordination, public affairs, and other activities. The Office of Compliance provides managerial oversight to the Environmental and Safety and Internal Inspections Divisions.

Senior Associate Director for Washington Operations: This Associate Director, serving as the Director's surrogate in Washington, DC, provides legislative support, DHS and OMB coordination and liaison with our partner organizations and the FLETA Board. The CFO Directorate and the Cheltenham Site Director report to the Senior Associate Director for Washington Operations.

Management Discussion and Analysis



U.S. Department of Homeland Security
 Federal Law Enforcement Training Center
Table of Organization



Management Discussion and Analysis

- **Chief Financial Officer Directorate:** The CFO plans and directs the activities related to the FLETC's budget, financial systems and strategic plans. This office administers the integration of planning and performance measurement activities with budget formulation and execution. This office ensures the integrity of financial records and performs periodic reporting of financial activities. The three subordinate divisions in the CFO Directorate are:
 - **Budget Division:** This division prepares the FLETC budget submissions for DHS, OMB, and Congressional levels and executes the fiscal year appropriation for the bureau.
 - **Finance Division:** This division directs the financial management system including all accounting and reporting of financial activities. This division administers the core financial management software and provides accounting services involving accounts payable, accounts receivable, payroll, and travel.
 - **Strategic Planning and Analysis Division:** This division develops the FLETC Strategic Plan. This division researches, develops, recommends, documents policies and procedures, conducts management analysis, and reports performance goals.
- **Cheltenham Site Director:** This office directs the site operation and coordinates the ongoing construction and renovation of the Cheltenham, MD facility.

Office of the Deputy Director: The Deputy Director assists the Director and acts, in his/her behalf during absence, in administering the activities of the FLETC. The Deputy Director provides the day-to-day overall direction of the four subordinate directorates for the operation of the FLETC's programs. Staffs attached to this office include the Special Investigations and Security Division.

Training Directorate: Consisting of three major subordinate offices, the Offices of Training Operations, Training Management, and Training Support, this office administers all law enforcement training activities at the FLETC headquarters.

- **Office of Training Operations:** This office directs faculty and staff and manages programs in support of basic, advanced and specialized law enforcement training. There are ten faculty elements within the Office of Training Operations.
 - **Behavioral Science Division:** This division plans, develops, and presents formal training courses and practical exercise applications related to the area of interpersonal relations including interviewing, handling crisis situations, professional ethics, conduct, sexual harassment, cultural sensitivity, and oral and written communications.
 - **Driver and Marine Division:** This division plans, develops, and presents formal training courses and practical exercise applications related to the specialized nature and use of vehicles and vessels, including search techniques and operational procedures in a law enforcement environment. This division is also responsible for the special use equipment and facilities assigned to these specific training areas.



- **Enforcement Operations Division:** This division plans, develops, and presents formal training courses and practical exercise applications related to various law enforcement operational procedures ranging from undercover and surveillance activities to the execution of search warrants. This division also provides the overall coordination for practical exercises.
- **Enforcement Techniques Division:** This division plans, develops, and presents formal training courses and practical exercise applications related to various criminalistic skills and knowledge including laboratory and crime scene activities.
- **Financial Fraud Institute:** This division plans, develops, and presents formal training courses and practical exercise applications related to the investigation of white collar crime violations, computer fraud, and microcomputer applications in law enforcement. This division is also responsible for the special use equipment and facilities assigned to this specific training area.
- **Firearms Division:** This division plans, develops, and presents formal training courses and practical exercise applications related to the specialized and technical nature of law enforcement armament and weaponry. This division is also responsible for the special use equipment and facilities assigned, including the armory, which provides FLETC-wide armament and weaponry security, repair, and maintenance services.
- **FLETC Management Institute:** This division plans, develops, and presents formal training courses and practical exercise applications related to managing and supervising law enforcement operations.
- **Legal Division:** This division plans, develops, and presents formal training courses and practical exercise applications related to the U.S. Constitution, applicable case law, statutory provisions, criminal law and evidence procedures.
- **Physical Techniques Division:** This division plans, develops, and presents formal training courses and practical exercise applications related to trauma management and cardiopulmonary resuscitation, self defense, arrest techniques, physical fitness, safety and water survival. This division is also responsible for special use equipment and facilities assigned to the specific training area.
- **Security Specialties Division:** This division plans, develops, and presents formal training courses and practical exercise applications related to anti-terrorism, counter-terrorism, and physical security.
- **Office of Training Management:** This office provides oversight to the Training Management and Coordination Division in providing logistical and administrative assistance to the Office of Training, including: coordinating advanced training activities and support; serving as the repository for lesson plans, syllabi, class reports, and student performance records; developing optimal scheduling plans to

Management Discussion and Analysis

meet training requirements; and developing both long and short range plans for training operations, including scheduling of training activities and facilities. Under this office, the Accreditation Office coordinates activities related to the accreditation of the FLETC training programs.

- **Office of Training Support:** This office provides services and materials that most directly relate to the training mission. It consists of the following three divisions:
 - **Media Support Division:** This division provides a full range of media and graphic arts services for all basic and advanced training activities including visual/media production, library services, and printing/reproduction.
 - **Research and Evaluation Division:** This division provides institutional research, consultation services, student evaluation and testing, and program validation studies.
 - **Student Services Division:** This division provides physical therapy, student recreation, and contractual support for health services, lodging, meals, student records maintenance, and other contractual services.

Field Training Directorate: This office provides oversight of the non-federal and non-headquarters functions, including state, local and international law enforcement training activities and management of the FLETC's training sites in New Mexico and Maryland, and support for the temporary Border Patrol training facility in South Carolina.

- **Office of Artesia Operations:** This office administers and ensures the delivery of law enforcement training programs at our training center in Artesia, New Mexico. In addition to conducting training, this office manages all logistical and support activities for Artesia, including various contractual services providing lodging, food, maintenance and other support services.
- **Office of State and Local Training:** This office presents specialized program offerings that enhance networking and cooperation between Federal, State, and local law enforcement agencies. These programs vary in length from three days to four weeks and have an average class size of 25 students. Additionally, technical assistance is provided to State and local law enforcement agencies' training initiatives.
- **International Training Division:** This division plans, develops, and presents formal training courses, and practical exercise applications related to international law enforcement training.
- **International Law Enforcement Academy (ILEA) Gaborone, Botswana, Africa:** This division provides management direction for the Botswana ILEA.
- **International Law Enforcement Academy (ILEA) San Jose, Costa Rica:** This division provides management direction for San Jose, Costa Rica.



- **Office of Charleston Operations:** This office provides support for the temporary U.S. Border Patrol training facility.

Administration Directorate: This office plans, directs and coordinates the FLETC's administrative programs and objectives. It formulates policies and courses of action for programs, which include staffing requirements, administrative services, human resources, procurement, property management, and facilities management. The Office of Administration is divided into two major offices, Assets Management and Human Capital.

- **Office of Assets Management:** This office integrates within a unified command three divisions in the total asset acquisition, management, and disposal life cycle. The office is responsible for the total life impact of costs and risk exposures associated with the reliability, availability, maintainability, performance, longevity, and regulatory compliance of the FLETC's physical assets.
 - **Facilities Management Division:** This division develops and administers the facilities management program, including maintenance, alterations, emergency service, repairs and preventive maintenance for all buildings, grounds and equipment. It also coordinates all in-house, GSA or contract construction/alteration operations, and provides professional engineering consulting services and assistance.
 - **Procurement Division:** This division develops and administers the procurement and contracting program at the FLETC.
 - **Property Management Division:** This division plans and directs the overall property management program including real property and non-expendable personal property at the FLETC.
- **Office of Human Capital:** This office oversees the Human Resources Division and is responsible for carrying out the objectives of the human capital management strategy, assessing workforce characteristics and future needs, and aligning human resource policies and programs with FLETC's mission, strategic goals, and performance outcomes.
 - **Human Resources Division:** This Division develops and administers the personnel policies and programs at the FLETC and also conducts workforce and organizational assessments, workforce structuring and planning, studies and analysis, external marketing and diversity programs, and employee development programs.

Chief Information Officer Directorate: This office supports FLETC's initiative for expanding electronic government, coordinates the overall information technology (IT) planning function, facilitates better coordination of IT expenditures and activities, and ensures the compatibility of IT equipment and service acquisitions.

- **Information Systems Division:** This division plans, organizes and coordinates computer, telecommunication, and electronics information management systems to better employ technology throughout the FLETC.

Management Discussion and Analysis

Mission

The mission of the FLETC is to serve as the Federal government's leader for career-long law enforcement training. The FLETC prepares law enforcement professionals to fulfill their responsibilities safely and proficiently ensuring that training is accomplished in the most cost-effective manner.

Vision For The Future

The vision of the FLETC is to be the government's foremost law enforcement training organization.

FLETC Values

Respect

Integrity

Service

- Innovation
- Customer Focus
- Flexibility
- Dedication
- Professionalism

Teamwork

- Unity
- Partnerships
- Collaboration
- Communication

Leadership

- Tradition
- Cutting Edge

Performance Goals And Results

In order to be effective, training must be closely linked to law enforcement challenges, issues, and needs. As law enforcement needs and techniques evolve, training must change to keep pace. Law enforcement, as an integral part of society, is not immune from the effects of accelerating and multi-faceted change that has become the hallmark of turn-of-the-century America. This change involves the nature of crime itself, methods available to law enforcement, and expectations of society and the political world.

Terrorism became a reality in the United States on September 11, 2001. Law enforcement today is faced with violent extremists from a variety of foreign and domestic groups ranging from racial supremacists, to fringe religious zealots, to environmental extremists. Many of these groups utilize Internet technology to spread their message and recruit members, as well as to gain access to information that facilitates violent acts. The willingness of a wide variety of groups to use violence to further their cause has been amply demonstrated and constitutes a major law enforcement issue. Increasing awareness of and sophisticated use of computer technology has created an entirely new law enforcement arena. The dramatic growth of the Internet has spawned a revolution in technology-related crime. Financial frauds of all descriptions, money laundering, trafficking in pornography and child molestation are only a few of the types of crimes facilitated by Internet communication. The globalization of the economy and of information has made it

possible to commit crimes against American interests without ever setting foot in the United States. Federal law enforcement today must have an awareness and understanding of the issues involved when dealing with international criminal activity.

The nature of organized crime is also changing. Foreign organized crime has established operations in major U.S. cities. Other organized groups have also emerged, including juvenile gangs, motorcycle gangs, white supremacist and anti-government factions. These groups present serious law enforcement challenges including language barriers, difficulty in penetrating their structure, their propensity for violence, and their ability to coordinate their activities over large geographic areas.

New technology benefits law enforcement as well as presents new challenges. Law enforcement agencies are able to quickly obtain large amounts of information from public sources via the Internet and from increasingly sophisticated databases maintained by various government agencies. Rapid identification of individuals, the ability to conduct discrete surveillance and the ability to manage large amounts of evidentiary material with computer assistance are only a few of the aids to law enforcement made possible by modern technology. Future changes will likely include increased use by law enforcement personnel of non-lethal weapons, enhanced requirements for collection and analysis of digital evidence, and improved crisis management techniques. At the same time, these advances create certain challenges. Law enforcement agencies must integrate these new methods into their processes, develop appropriate policies for their use, and ensure that staff is adequately trained.

Faced with real problems affecting the very fabric of society, the United States is relying increasingly on law enforcement solutions. For example, the dramatic increase in the number of law enforcement officers mandated by Congress, the enhanced funding for the “war on drugs,” and significantly increased spending for counter-terrorist activities exemplify the expectation on the part of policy makers that law enforcement officers are increasingly being called on to act as “problem solvers,” taking on roles quite different from those associated with traditional enforcement.

While being called on to address a widening array of social problems, law enforcement agencies are also being held to heightened levels of scrutiny and accountability. Today, an officer must ensure that his or her actions pass not only the test of legality, but they must also pass the more subjective tests of appropriateness and propriety. The citizenry expects law enforcement personnel to act professionally and react quickly to complaints and lawsuits when this expectation is violated.

Given the changes cited above and the central role in ensuring that law enforcement personnel are trained to address them, the FLETC’s challenge is to develop strategic priorities that position the Center to adjust operations without disruption or diminishing effectiveness. To accomplish its mission, the FLETC has identified and will address the issues discussed below.

Mission Clarity

While the stated mission appears clear and straightforward, there has been some confusion and disagreement over the FLETC’s exact role in the law enforcement arena as well as the kind of training organization the

Management Discussion and Analysis

FLETC should aspire to be. It is clear there is a mandate to provide “Federal basic law enforcement training” and oversee facilities used by partner organizations to conduct their training.

However, there are considerably different perspectives and opinions regarding the FLETC’s role in providing advanced Federal, State and local, and international training and conducting serious, focused, results-oriented law enforcement training research. The strategic planning process has given the FLETC a forum for discussing these issues and resulted in a broader and more comprehensive view of the Center’s leadership and training role across all venues. While the FLETC is fully committed to fulfilling the requirement to provide basic Federal law enforcement training, the Center must also meet the advanced training needs of the constituent organizations.

Physical Capacity to Meet Training Demands

Over the years, the FLETC has had difficulty accommodating the demand for basic training, particularly for the U.S. Border Patrol, the largest partner organization in terms of student-weeks trained, which experienced a sudden and dramatic increase in the number of newly hired recruits who needed to attend basic training. This trend is expected to continue with the ongoing effect of the September 11, 2001 terrorist attack and greater emphasis on securing the U.S. borders. In addition, the need for in-service and advanced training will continue to grow as well because many basic students who graduate will return later for advanced training to update skills, knowledge, and techniques. Clearly, the FLETC will have to seek creative and flexible means to better predict and meet the capacity demands of all the partner organizations.

Quality of Instruction

Since its inception, the FLETC has been committed to its students and uncompromising to instructional quality. The FLETC is fortunate to have a cadre of dedicated instructors who foster innovation and are willing to go “beyond the call of duty” to provide quality training. In addition, feedback from students and their supervisors indicates that the partner organizations are generally very satisfied with the quality of the training. However, as discussed earlier, the law enforcement arena is faced with a more complex and hostile environment. The FLETC must be able to anticipate and respond to these needs by adopting new instructional technologies, improving instructor training, and ensuring that instructors have sufficient recent field experience.

Partnerships with Law Enforcement Organizations

Establishing cooperative partnerships with the partner organizations and other State, local, and international law enforcement organizations is a key underlying principle of the strategy to improve the quality, relevance, and timeliness of the FLETC’s training. Currently, the FLETC has excellent relationships with the partner organizations, but has recently initiated efforts to further improve communications with all its customers. Building on this base, the FLETC will continue to expand efforts to better anticipate, understand, and respond to customer’s needs. The FLETC will need to work with partner organizations to develop innovative viable solutions to problems as they arise.



The partner organizations identify the training criteria for their respective students in a jointly sponsored Curriculum Review Conference (CRC). Also, the partner organizations contribute to the training experience by providing members of their own agency staffs on a temporary basis to augment the FLETC instructional cadre. In addition, the partner organizations collaborate with the FLETC to share resources such as office space. Regularly scheduled meetings between the partner organizations and the FLETC Director and senior management provide a discussion forum for many issues of mutual interest. The partner organizations work closely with the FLETC to highlight opportunities for improvement or to resolve items of concern on a continuing basis.

Program Evaluation

The FLETC uses architecture of linked Performance Evaluations. Training is evaluated during CRCs and Curriculum Development Conferences (CDCs) wherein reviews are conducted course by course and program by program. The continuous review, evaluation, and validation are accomplished through a professional team within the FLETC Research and Evaluation Division (RED). The results are published as documents that FLETC management uses to derive training improvement and formulate training doctrine. Program evaluations are a basis for decision making and a way of conducting business as a professional training institution. The FLETC continually collaborates with partner organizations to assess, validate, and improve each program, as described above. Programs are constantly evolving and being refined in response to emerging issues such as changes in applicable laws, mission emphasis, the partner organizations' requirements, etc. As needed, formal CRCs or CDCs are conducted with the key program participants, and programs are further updated and/or changed to ensure that they continue to meet the law enforcement training requirements.

Survey Instruments

Given the structure and function of the FLETC, survey instruments are prepared and developed based upon the Modified Likert Scale, using contemporary survey methodology with anecdotal comments captured for specificity and clarity. Performance measures, such as Employee Satisfaction, will be assessed through survey instruments prepared, developed and evaluated by the RED. The FLETC will work with the partner organizations to develop a survey that is in concert with key business lines.

Strategic Direction

The FLETC continuously assesses, innovates, and more clearly focuses its strategic approach to the mission. The FLETC is keenly aware of the serious nature of the challenges faced by law enforcement officers and commits to ensuring that the best training possible is provided. Key aspects of the strategy will focus on three business lines:

- Providing Comprehensive Training to Law Enforcement Officers That Fully Supports the Mission of All Partner Organizations--adopting a more holistic view of training that goes beyond the development of static skills and requires the student to make decisions and perform under stress. The FLETC must

Management Discussion and Analysis

also provide career-long training that is responsive to the diverse and evolving needs of the law enforcement community;

- Advancing Training Effectiveness Through Dramatic Improvements in Training Development--establishing meaningful partnerships with the partner organizations in order to anticipate and respond to their training needs and to ensure that course content is current and is taught using the most innovative teaching approaches and delivery methods; and
- Working Closely with All the Partner Organizations to Evaluate and Adjust Training Scheduling and Availability--ensuring that partner organizations have access to appropriate training and that their needs are met on a timely basis.

To fulfill its mission, the FLETC has developed a Strategic Plan that includes goals/objectives. These goals/objectives, along with key trends, accomplishments and results follow.

FLETC Objective: Enhance Basic, Advanced, and In-Service Training Programs to Meet Changing Needs and Increasing Demands.

Key Trends

In FY 2003, the FLETC trained a total of 58,420 students, an 83% increase from FY 2002 levels. This included meeting all basic training for 17,646 law enforcement officers from partner organizations. Of the total students trained in FY 2003, 37,052 students received advanced training. Also, 3,673 State and local and 49 international law enforcement officers were trained.

Number of Students Trained

CATEGORY	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
Basic	9,005	8,635	10,735	19,881	17,646
Advanced	11,708	10,985	11,525	8,975	16,325
State/Local	3,860	3,383	3,151	3,066	3,673
International	595	323	278	170	49
Total	25,168	23,326	25,689	32,092	37,693



Federal Law Enforcement Training Center
Cheltenham, Maryland

Federal Law Enforcement Training Center (FLETC) Budget Summary

Fiscal Year	1999	2000	2001	2002	2003
Budget (\$ millions)	110	113	153	171	172
FTE	529	568	581	748	878

Summary of FY 2003 Performance Measures

		FY 2003	
		Plan	Actual
Objectives:	(1) Enhance the basic, advanced, and in-service training programs to meet changing needs and increasing demands		
	and (2) develop and operate state-of-the-art facilities and systems responsive to interagency training needs		
Percentage of satisfaction on the Student Quality of Training survey		90.0	99.1
Percentage of satisfaction on the Partner Organization survey		85.0	97.5
Percentage of satisfaction on the Student Quality of Services survey		90.0	99.4
Cost of a student-week of training (\$)		927	864
Percentage of satisfaction on the Employees Satisfaction survey		70.0	82.0

Management Discussion and Analysis

Homeland Security Programs

The mission of the FLETC is to serve as the Federal government's leader for career-long law enforcement training. The FLETC prepares law enforcement professionals to fulfill their responsibilities safely and proficiently. The FLETC accomplishes its mission by utilizing law enforcement and training experts; providing facilities, support services, and technical assistance; conducting law enforcement research and development; and sharing law enforcement technology.



Firearms Training
Federal Law Enforcement Training Center, Artesia, New Mexico

Continuous review and revision of training programs helps to ensure that law enforcement officers receive training and to keep pace with the changing criminal and law enforcement environment. The FLETC also ensures that training is provided cost-effectively by taking advantage of economies of scale available only from a consolidated law enforcement training organization.

To accomplish its mission, the FLETC must balance the competing needs and demands of its partner organizations. The FLETC must also be flexible enough to respond to changes resulting from budget decisions, fluctuations in training demands, and variations in recruitment within the partner organizations.

FY 2003 Accomplishments and Results

Following is a report on the performance targets in the FY 2003 Performance Plan related to this objective:

Federal Law Enforcement Training Center Performance Goals:

- Achieve 90% on Student Quality of Training Survey.
- Achieve 85% on Partner Organization Satisfaction Survey.
- Keep cost per student-week of training to \$927.



Achieve 90% Rating on Student Quality of Training Survey	FY1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual
		99.7%	98.6%	99.9%	99.3%

Explanation of Measure: Training program students are surveyed to obtain their views on the overall quality of training received. The scale is 0-100%.

Explanation of Shortfall: (If applicable) N/A



Achieve 85% Rating on Partner Organization Satisfaction Survey	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual
		-	-	97.5%	97.5%

Explanation of Measure: Partner Organizations’ responses to two specific qualitative statements on “A productive, proactive partnership exists between the FLETC and my agency” and “the FLETC is a true partner in providing solutions to law enforcement problems.” The scale is 0-100%.

Explanation of Shortfall: (If applicable) N/A

Management Discussion and Analysis

Keep Cost per Student-Week of Training to \$927	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual
	-	-	-	\$803	\$864
<p>Explanation of Measure: The cost is calculated by taking the total net cost of operation divided by the number of student-weeks.</p> <p>Explanation of Shortfall: (If applicable) N/A</p>					

FLETC Objective: Develop and Operate State-of-the-Art Facilities and Systems Responsive to Interagency Training Needs.

Key Trends

The FLETC has a Master Construction Plan that will provide the facilities required to increase the student throughput to accommodate this training workload and the projected workload of the over 75 partner organizations. The FLETC is taking a leadership role in seeking creative solutions to expand access and availability. New ideas for distributed learning are continuously explored. Construction is continuing on facilities that will provide a training environment that is compatible with the actual working environment of law enforcement officers and that are equipped with the latest technology.

The FLETC continues to provide leadership and direction in the development of an accreditation process that would lead to the establishment of professional standards for accrediting Federal law enforcement training organizations.

Homeland Security Programs

The FLETC began training students in 1970 with the mission of providing high quality law enforcement training programs in state-of-the-art facilities. In recent years, the FLETC has garnered a reputation in the law enforcement community as the center of excellence in law enforcement training.

One of the FLETC's strategic goals is to significantly expand the access to and availability of quality law enforcement training. One objective toward achieving this goal is to provide sufficient capacity to meet the training requirements of the partner organizations. In addition, the FLETC strives to meet the training needs of law enforcement organizations that would otherwise be unable to use the FLETC because of capacity constraints or cost considerations and to establish professional standards for accrediting Federal law enforcement training organizations. Further, the FLETC's goal is to effectively organize, develop, and lead its

personnel in support of the Center's mission and to continually work toward strengthening its partnership among the partner agencies. The FLETC also carries out research in the various aspects of law enforcement training.

The voluntary affiliation of over 75 partner organizations requires that the FLETC continually balance competing needs and demands among these organizations. The FLETC must also be flexible enough to respond to changes resulting from shifting priorities, budget decisions, fluctuations in training demands, and variations in recruitment within the partner organizations.

In order to ensure that the FLETC facilities are state-of-the-art and meet the needs of its customers, the FLETC conducts a Student Quality of Services Survey. This survey assesses the quality of the facilities and services that the FLETC provides to the students attending training, such as classrooms, dormitories, and dining facilities. It assists the FLETC in the continuing review and evaluation of these facilities and services. In addition to surveying its students, the FLETC continually reviews and revises the Facilities Master Plan to ensure the plan meets and is responsive to training requirements. The review takes into consideration the needs of the customers and the FLETC.

FY 2003 Accomplishments and Results

As part of the Master Plan process, the FLETC continued to construct new facilities in FY 2003, as well as to renovate and upgrade existing infrastructure.

At Glynco, GA, construction of the Mock Port of Entry Building was completed. Also, the three build-lease hotel-type student housing units became operational. A 136,000 square foot building on a 20-acre parcel of land adjacent to the Glynco headquarters was purchased in FY 2003. The Administrative Building and Student Cafeteria were completed in Artesia, NM. At the end of FY 2003, construction in process totaled \$43 million.

Finally, the FLETC continues to facilitate the development and implementation of a Federal Law Enforcement Training Accreditation (FLETA) model. The accreditation process recognizes the value of standardized, consistent, and high quality federal law enforcement training. The FLETA will provide assurance to the public that all Federal law enforcement officers and agents are properly, professionally, and effectively trained.

Following is a report on the performance targets related to this objective:

Federal Law Enforcement Training Center Performance Goals:

- Achieve 90% Rating on Student Quality of Services Survey.
- Achieve 70% on Employee Satisfaction Survey.

Management Discussion and Analysis

Achieve 90% Rating on Student Quality of Services Survey	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual
	99.0%	99.5%	99.6%	99.7%	99.4%

Explanation of Measure: Students in basic and advanced training programs complete surveys on the quality of administrative support services. The scale of the survey is 0-100%.

Explanation of Shortfall: (If applicable) N/A



Achieve 70% on Employee Satisfaction Survey	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual
	-	-	78.0%	82.0%	82.0%

Explanation of Measure: The percentage of employees that agree they are satisfied with the overall work environment at the FLETC. The scale of the survey is 0-100%

Explanation of Shortfall: (If applicable) N/A

Definition of Performance Measures and Validation of Data

- **Performance Measure:** Achieve 90% Rating on Student Quality of Training Survey

Definition: This measure deals with the quality of law enforcement training. Basic and advanced training program students are surveyed to obtain their views as to the overall quality of training received at the FLETC. The information obtained from this survey assists the FLETC in the continuing review of program curricula. The scale is 0-100% and the FLETC goal is to obtain an overall rating of 90%.

Validation: Students in basic and advanced training programs complete surveys on the quality of training, including instructors, program material, equipment, etc. Individual programs and cumulative reports are generated. From this data, trends can be identified and areas that are consistently rated low can be reviewed and corrective action can be taken.

Data Accuracy: Reasonable.

- **Performance Measure:** Keep Unit Cost of Basic Student-week of Training to \$927

Definition: This measure deals with the cost per student-week of training. Data is captured through the automated financial system (costs) and the Student Information System (student-weeks trained).

Validation: The cost per week is calculated by taking the actual total net cost of operation divided by the number of student-weeks of training.

Data Accuracy: Reasonable.

- **Performance Measure:** Achieve 90% Rating on Student Quality of Services Survey

Definition: This measure assesses the quality of the administrative and support services that the FLETC provides to the students. The result from this survey assists the FLETC in the continuing review of its administrative and support services. The scale is 0-100% and the FLETC goal is to obtain an overall rating of 90%.

Validation: Students in basic and advanced training programs complete surveys on the quality of administrative support services, including cafeteria, dormitory, janitorial, etc. Individual programs and cumulative reports are generated. From this data, trends can be identified and areas that are consistently rated low can be reviewed and corrective actions taken.

Data Accuracy: Reasonable.

- **Performance Measure:** Achieve 85% Rating on the Partner Organization Satisfaction Survey

Management Discussion and Analysis

Definition: This measure deals with the partner organizations continued satisfaction with the FLETC training curricula that is critical to retaining the consolidated training concept for Federal law enforcement. The partner organizations respond to two specific qualitative statements dealing with the extent of partnership between the FLETC and agencies in solving law enforcement training problems.

Validation: The partner organizations complete surveys regarding their satisfaction with the FLETC training services. The FLETC also conducts verbal follow-up sessions with partner organizations to confirm and discuss their responses. Other formal and informal input from the partner organizations are used to validate the survey results.

Data Accuracy: Reasonable

- **Performance Measure:** Achieve 70% Rating on the Employee Satisfaction Survey (ESS)

Definition: The percentage of employees that agree they are satisfied with the overall work environment at the FLETC. A survey is distributed to all FLETC employees that consist of 21 questions regarding the quality and quantity of services and programs provided by the FLETC to employees. The ESS provides a formal means for FLETC management to gauge the level of satisfaction of its employees with the working environment and identifies opportunities for improvements as well as highlighting successful policies and programs.

Validation: The FLETC staffs complete surveys regarding their employment at the FLETC. The process uses contemporary survey methods similar to those used by the military services and other major training organizations. Results from other formal and informal sources of employee input, such as interviews, employee forums, complaints, comments, etc., are used on an ongoing basis to validate the survey results.

Data Accuracy: Reasonable

FUTURE EFFECTS ON EXISTING, CURRENTLY KNOWN DEMANDS, RISKS, UNCERTAINTIES, EVENTS, CONDITIONS AND TRENDS

The upward trend of law enforcement training at the FLETC following the September 11, 2001, terrorist attack markedly reflects the ongoing heightened security objectives of the partner organizations and other law enforcement agencies. Similarly, increases in the homeland security program appropriations in the Federal Government annual budgets indicate the U.S. government's high priority and strong resolve to combat terrorism and to protect the U.S. borders. The FLETC will continue to support the efforts and to focus on providing the most cost-effective training to law enforcement officers and agents.

Fulfilling all the partner organizations' training needs continue to be a challenge to the FLETC. The following chart summarizes the projections for the next two fiscal years, which shows a slight stability from previous fiscal years:



Category	FY 2004		FY 2005	
	Students	Student-Weeks	Students	Student-Weeks
Basic	21,283	191,889	20,378	185,820
Advanced	21,996	30,699	21,698	23,252
State, Local, Int'l & Export	3,756	3,929	4,698	5,000
Total	47,035	226,517	46,774	214,072

The FLETC has diligently planned and pulled resources together to accommodate the partner organizations' training requirements. The limiting factors continue to be facility constraints and funding for the direct costs of the additional training.

Although the FLETC continues to execute its rigorous construction and renovation program, its overall capacity to provide training, especially at the Glynco and Charleston campuses, is currently strained. The physical constraints include firearms and driving ranges, practical exercise facilities, classrooms and support facilities. By operating a 6-day schedule at the Glynco campus and canceling or deferring PO's advanced classes, the FLETC has been able to generally provide basic training. However, continued use of these facilities at an accelerated rate while deferring maintenance or renovation would likely lead to an equally accelerated deterioration of facilities and its infrastructure. The FLETC will continuously assess the condition of its training facilities and infrastructure. In FY 2003, the FLETC developed a Facilities Master Plan to address long-term capacity issues. The FLETC is also studying the use of driving simulators and other technology for their potential training application. Incidentally, results of test data and surveys indicate that the overall student test scores and level of satisfaction with the FLETC's training services remain high despite the FLETC staff being stretched by the capacity strains.

Throughout its history, the FLETC has experienced difficulty recruiting and retaining law enforcement instructors with extensive Federal Criminal Investigator (GS-1811) experience. Through legislative language included in the FY 2002 emergency appropriations bill that was enacted in August 2002, the FLETC was granted a salary offset waiver authority for up to 250 rehired annuitants for a five-year appointing period. The enactment of this language has greatly improved the FLETC's hiring flexibility and significantly enhanced the Center's ability to meet most emergency training demands from the partner organizations.

Based upon our best assessment of the training needs and collaboration with the partner organizations, the FLETC has requested additional funding for the direct cost of the basic training and expanded authority to commensurately increase the number of approved full-time equivalent positions to accommodate the additional training. The FLETC expects that funding for the direct cost of basic training required by the partner organizations in out-years will continue to be appropriated.

The FLETC will continue to rely on the commitment, drive, and professionalism of the FLETC staff to accomplish the FLETC mission of serving as the Federal government's leader for career-long law enforcement training.

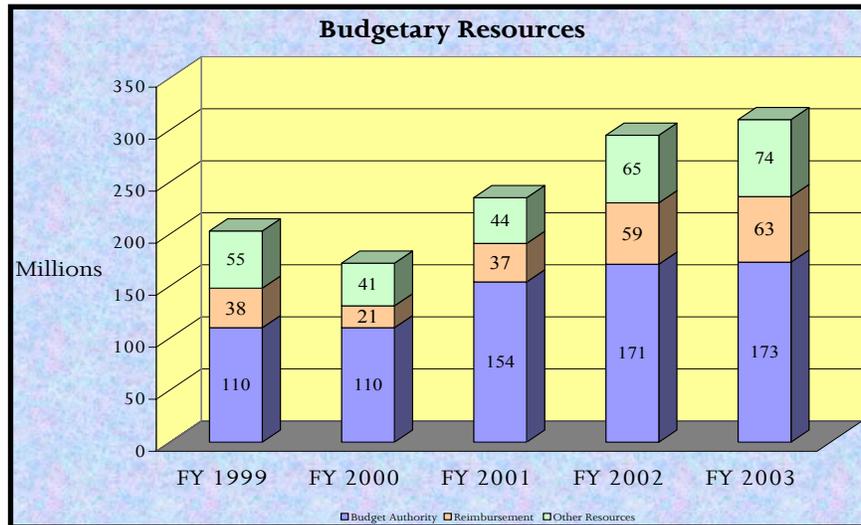
Management Discussion and Analysis

FLETC Strategic and Performance Plan Linkage

Strategic Goals	Long Term Performance Goals															
<p>1. Provide training that develops the skills and knowledge to perform law enforcement functions safely, effectively and professionally</p>	<p>a. % of FLETC graduates agree they were highly prepared to perform their law enforcement functions upon graduation.</p> <table border="1"> <tr> <td>FY 2005</td> <td>Target</td> <td>58%</td> </tr> <tr> <td>FY 2006</td> <td>Target</td> <td>60%</td> </tr> <tr> <td>FY 2007</td> <td>Target</td> <td>62%</td> </tr> <tr> <td>FY 2008</td> <td>Target</td> <td>64%</td> </tr> <tr> <td>FY 2009</td> <td>Target</td> <td>66%</td> </tr> </table>	FY 2005	Target	58%	FY 2006	Target	60%	FY 2007	Target	62%	FY 2008	Target	64%	FY 2009	Target	66%
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FY 2009	Target	66%														
<p>b. % of Federal supervisors agree FLETC graduates were highly prepared to perform their law enforcement functions.</p> <table border="1"> <tr> <td>FY 2005</td> <td>Target</td> <td>58%</td> </tr> <tr> <td>FY 2006</td> <td>Target</td> <td>60%</td> </tr> <tr> <td>FY 2007</td> <td>Target</td> <td>62%</td> </tr> <tr> <td>FY 2008</td> <td>Target</td> <td>64%</td> </tr> <tr> <td>FY 2009</td> <td>Target</td> <td>66%</td> </tr> </table>	FY 2005	Target	58%	FY 2006	Target	60%	FY 2007	Target	62%	FY 2008	Target	64%	FY 2009	Target	66%	
FY 2005	Target	58%														
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FY 2009	Target	66%														
<p>c. % of students rate the quality of FLETC law enforcement training as excellent or outstanding upon graduation.</p> <table border="1"> <tr> <td>FY 2009</td> <td>Target</td> <td>66%</td> </tr> </table>	FY 2009	Target	66%													
FY 2009	Target	66%														
<p>d. Implement the FLETC Accreditation 5-year Plan.</p>																
<p>2. Significantly expand access to and availability of quality law enforcement training.</p>	<p>a. Annually, 85% of requested training programs are conducted.</p>															
	<p>b. Annually, 80% of training projections result in training programs conducted.</p>															
<p>3. Create a new organizational culture through law enforcement training based on tradition and history.</p>	<p>a. Annually, 58% of partner organizations express a high rate of overall satisfaction on the Partner Organization Satisfaction Survey.</p>															
<p>4. Implement best management practices.</p>	<p>a. Annually, achieve the most efficient cost per student-week of training.</p>															
	<p>b. Annually, 70% of employees express overall satisfaction with their working environment at FLETC (Employee Satisfaction Survey).</p>															
	<p>c. Implement the Human Capital Strategic Plan by the end of FY 2009.</p>															
	<p>d. Implement the IT Strategic Plan by the end of FY 2009.</p>															
	<p>e. Achieve FLETC Competitive Sourcing plan and objectives.</p>															
	<p>f. Reduce work-related injuries on a cumulative basis by 5% each year through FY 2009.</p>															

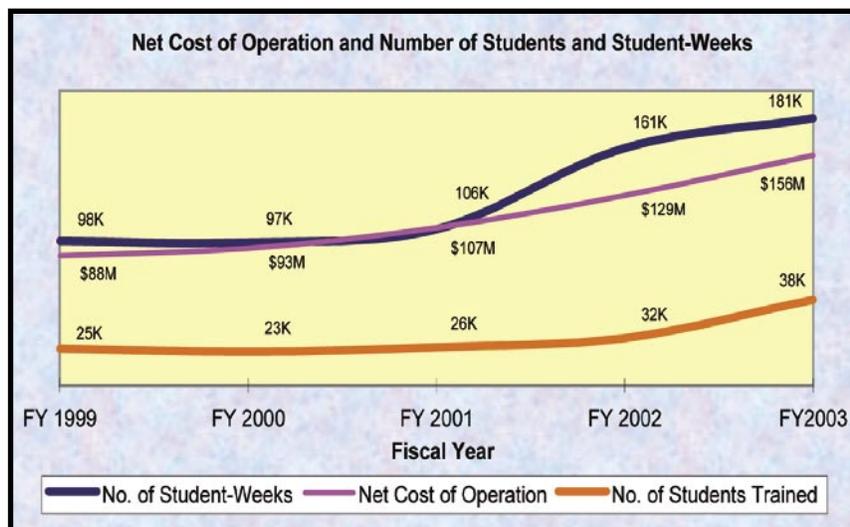
FINANCIAL RESOURCES AND KEY INDICATORS

Budgetary Resources



The FLETC's budgetary resources continue to grow. Budgetary resources consist of the budget authority or annual appropriation, reimbursement for training services, and other resources comprised primarily of carryover funds for multi-year and no-year appropriations. The linear increase in budgetary resources for the past three years is attributed to FLETC's additional appropriation and increase in earned reimbursement for training from partner organizations.

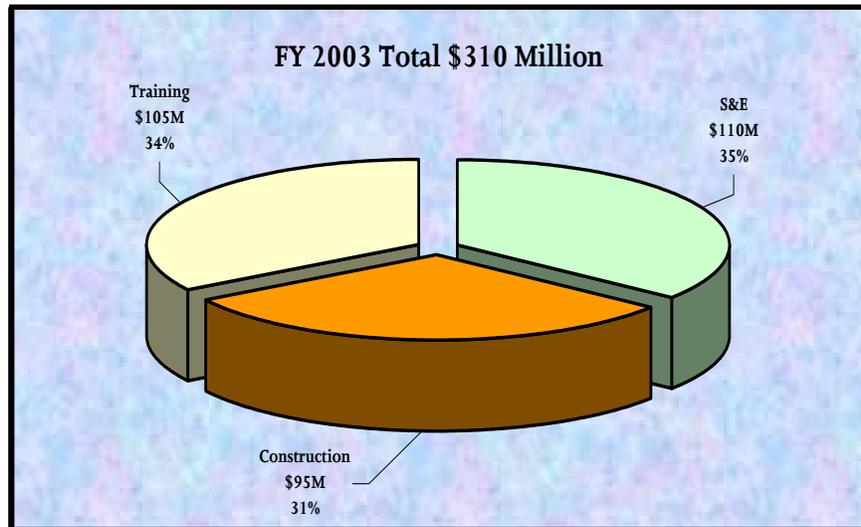
Net Cost of Operation



The FY 2003 net cost of operation increased by 17% or \$27 million from last fiscal year. The number of students trained and number of student-weeks increased by 19% or 6,000 students and 12% or 20,000 student-weeks, respectively, from FY 2002. The average length of training and cost per student was three and one-half weeks and \$4,000, respectively.

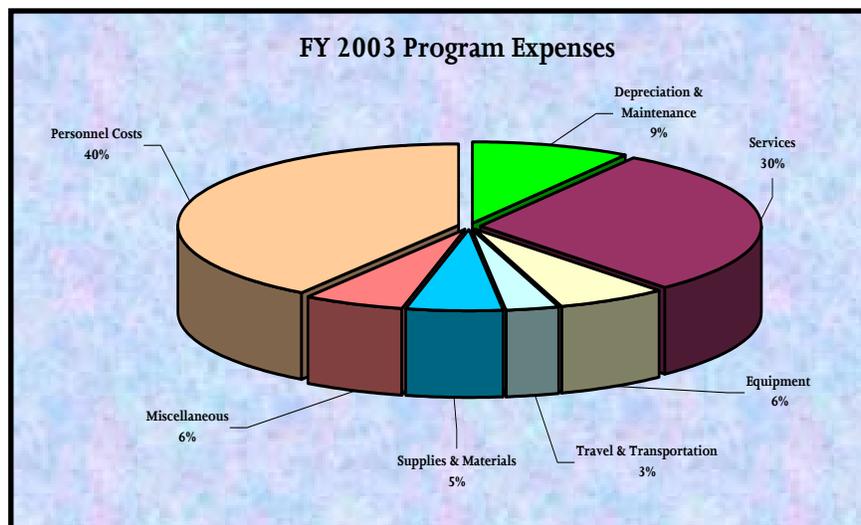
Management Discussion and Analysis

Category of Funds



Of the \$310 million total budgetary resources in FY 2003, 35% or \$110 million was earmarked for salaries and expenses; 34% or \$105 million for training; and 31% or \$95 million for construction.

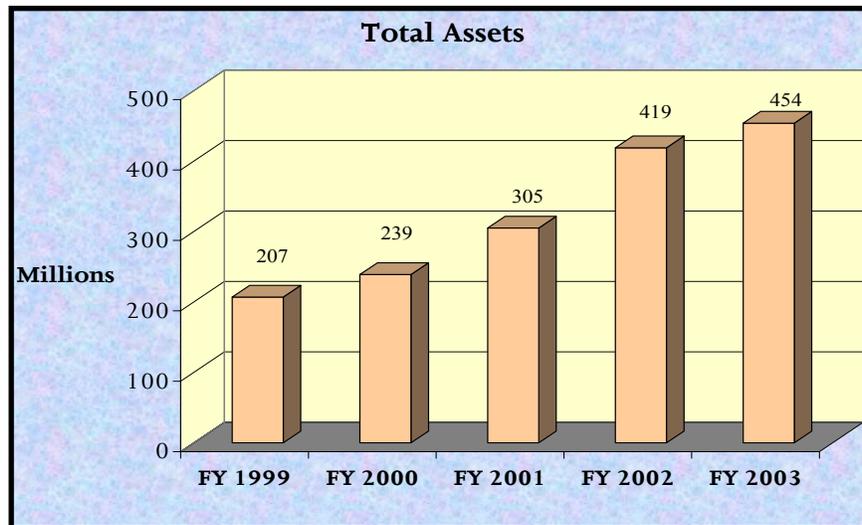
Program Expenses



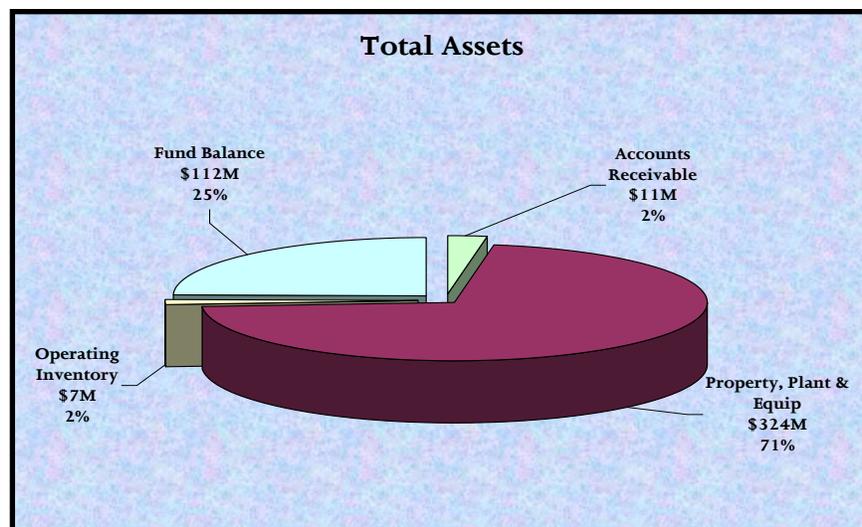
Of the \$221 million gross program expenses in FY 2003, 40% or \$89 million was spent on personnel compensation and benefits, an increase of 25% from last year primarily due to the hiring of additional law enforcement instructors. Also, 30% or \$65 million was spent on services to support the additional training during FY 2003.



Assets



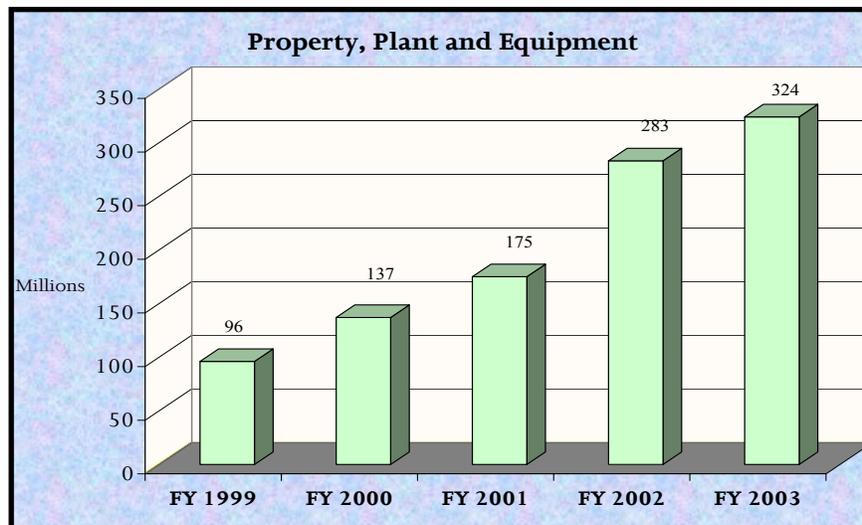
As of September 30, 2003, the value of the FLETC's total assets is \$454 million, an increase of 8% or \$35 million from FY 2002, attributed to the increase in the property, plant and equipment account.



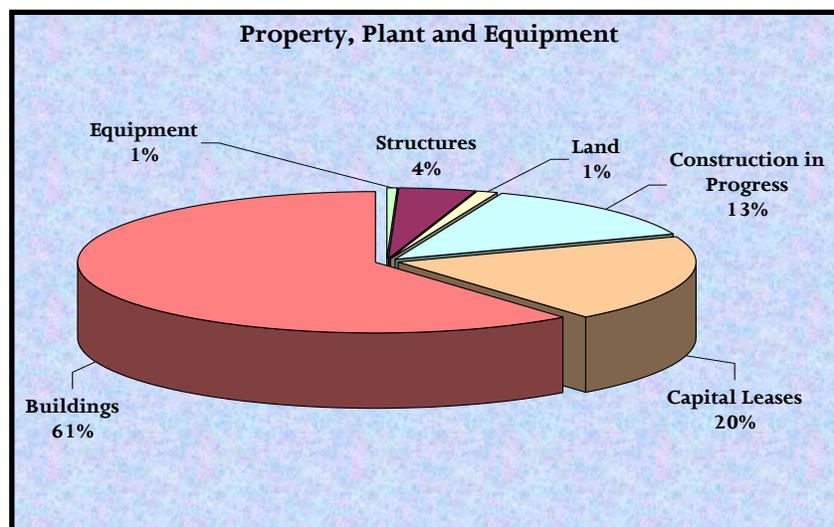
The majority of the FLETC's assets are \$324 million plant, property, and equipment (PP&E) and \$112 million fund balance as of September 30, 2003.

Management Discussion and Analysis

Property, Plant, and Equipment



The value of the FLETC's property, plant and equipment (PP&E) is \$324 million as of September 30, 2003, an increase of 15% or \$41 million from FY 2002, primarily due to the ongoing facility construction and building renovation in Cheltenham, MD.



The majority of the FLETC's PP&E accounts are buildings with net book value of \$197 million. 70%, 25%, and 5%, are located in Glynco, GA, Artesia, NM, and Cheltenham, MD, respectively.



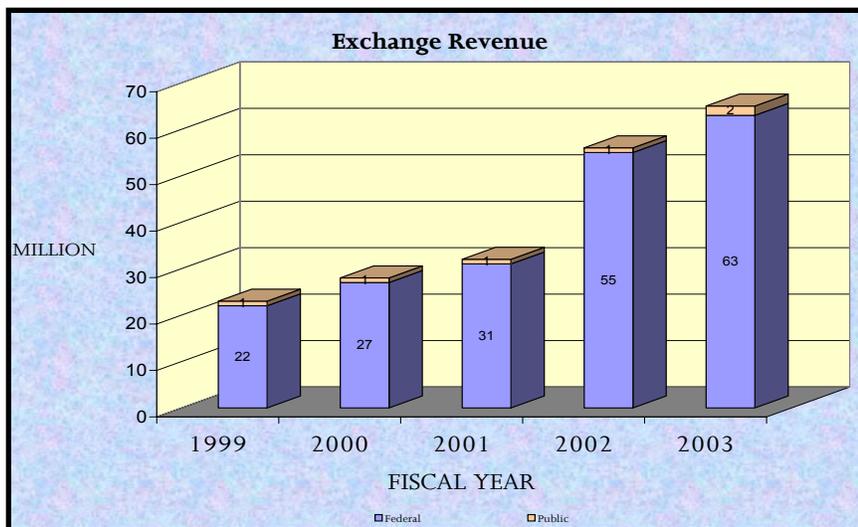
Exchange Revenue

Pursuant to the OMB/Treasury/FLETC funding policy that was approved in FY 1987, the FLETC finances the direct cost of basic training while the partner organizations pay for the cost of travel, en route per diem, and reimburse the FLETC for actual costs of meals and lodging. The direct cost of basic training includes items such as the following:

- Utilities/janitorial services for classrooms
- Printed materials
- Role players
- Support contracts
- Ammunition
- Materials and supplies

In addition to the travel, meal and lodging costs, the partner organizations reimburse the FLETC for any variable costs incurred in the advanced training courses. State and local agencies normally pay for the actual costs of training.

For FY 2003, the total exchange revenue amounted to \$65 million of which \$63 million and \$2 million were derived from Federal and State and local agencies, respectively. The exchange revenue had increased by 16% or \$9 million from FY 2002, primarily attributed to the partner organizations' reimbursement for advance training courses.

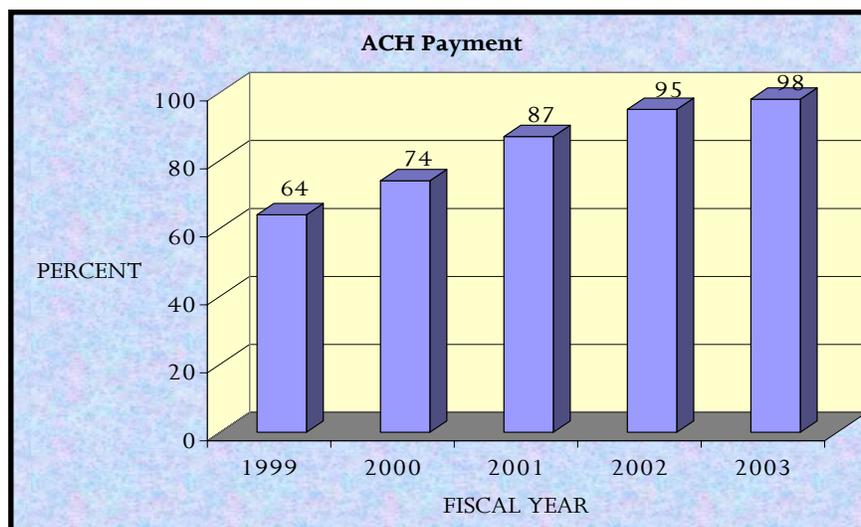


Management Discussion and Analysis



Federal Law Enforcement Training Center
Artesia, New Mexico

Automated Clearing House (ACH) Vendor Payments



ACH vendor payments have increased by 3% in FY 2003. ACH is an expeditious, cost-effective payment method that enhances accuracy and customer service to vendors.

U.S. Department of Homeland Security
Federal Law Enforcement Training Center



Homeland Security

Federal Managers' Financial Integrity Act

Fiscal Year 2003

Federal Managers' Financial Integrity Act

Federal Managers' Financial Integrity Act (FMFIA) Summary

FLETC management controls are established in accordance with standards required by Section 2 of the Federal Managers' Financial Integrity Act (FMFIA) and provide reasonable assurance that: (1) Our programs are achieving their intended results; (2) resources are used in a manner that is consistent with our mission; (3) assets are protected from fraud, abuse, waste, and mismanagement; (4) laws and regulations are followed; (5) continuity of operations planning in critical areas is sufficient to reduce risk to reasonable levels; (6) controls are sufficient to minimize any improper or erroneous payments; and (7) performance information is reliable. There is reasonable assurance that the FLETC accounting and financial systems conform with Government-wide financial information standards as well as financial system functional standards for FY 2003 in accordance with Section 4 of the FMFIA. The FLETC substantially complies with the requirements of the Federal Financial Management Improvement Act (FFMIA) of 1996. Specifically, the FLETC has implemented and maintained financial systems that comply substantially with Federal financial management system requirements, applicable Federal accounting standards, and the United States Government Standard General Ledger at the transaction level.

Annual Assurance Statement for Fiscal Year 2003

Based on the results of its annual assessment process, the Federal Law Enforcement Training Center (FLETC) provides reasonable assurance that its systems of management and administrative control, taken as a whole, achieve the objectives of Section 2 of the Federal Managers' Financial Integrity Act (FMFIA). The FLETC also provides reasonable assurance that its accounting and financial systems generally conform to the Comptroller General's principles, standards, and related requirements and achieve the objectives of Section 4 of the FMFIA.

Connie L. Patrick

Connie L. Patrick
Director
Federal Law Enforcement Training Center

SECTION I: OPEN MATERIAL WEAKNESSES AS OF 9/30/03 – NONE REPORTED.

SECTION II: THE LIST OF MATERIAL WEAKNESSES CLOSED DURING FY 2003 - NONE.

SECTION III: OPEN REPORTABLE CONDITIONS AS OF 9/30/03. – NONE.

U.S. Department of Homeland Security
Federal Law Enforcement Training Center



Homeland Security

Accountant's Compilation Report

Fiscal Year 2003

Accountant's Compilation Report

Federal Law Enforcement Training Center
U. S. Department of Homeland Security
1131 Chapel Crossing Road
Glynco, Georgia 31524



Homeland Security

March 8, 2004

To: FLETC Management, Partner Organizations and Other Stakeholders

We have compiled the accompanying statements of Balance Sheet, Statement of Net Cost, Statement of Changes in Net Position, Statement of Budgetary Resources, Statement of Financing, and Statement of Custodial Activity for the Federal Law Enforcement Training Center as of and for the seven months that ended September 30, 2003, in accordance with the Statements on Standards issued by the Financial Accounting Standards Board, designated by the American Institute of Certified Public Accountants as the standards setting body for financial statements of the Federal government, with respect to the establishment of generally accepted accounting principles.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. A limited audit was performed on the accompanying financial statements by KPMG, LLP. KPMG, LLP expressed an opinion on the Consolidated Department of Homeland Security (DHS) financial statements taken as a whole and not the stand-alone financial statements of the FLETC. Therefore, no opinion is expressed or any other form of assurance on the FLETC stand-alone financial statements.

These financial statements are presented in accordance with the requirements of OMB Bulletin No. 01-09 (Form and Content of Agency Financial Statements). The financial statements show no comparative Fiscal Year 2002 data due to the transfer of the FLETC to the DHS in March 2003.



Julie Martin

Julie Martin
Deputy Chief Financial Officer
Federal Law Enforcement Training Center

www.fletc.gov

U.S. Department of Homeland Security
Federal Law Enforcement Training Center



Homeland Security

Financial Statements

Fiscal Year 2003

Financial Statements

Department of Homeland Security
FEDERAL LAW ENFORCEMENT TRAINING CENTER
BALANCE SHEET
For the Year Ended September 30, 2003
(Dollars in Thousands)

	<u>2003</u>
ASSETS:	
Intragovernmental Assets:	
Fund Balance (Note 2)	\$ 111,139
Accounts Receivable - Federal Agencies (Note 3)	9,704
Advances to Federal Agencies (Note 4)	1,292
Total Intragovernmental Assets	\$ 122,135
Accounts Receivable - State, Local & Others (Note 3)	1,094
Inventory and Related Property, Net (Note 5)	6,791
Property, Plant and Equipment, Net (Note 6)	324,034
Total Assets	\$ 454,054
LIABILITIES:	
Intragovernmental Liabilities:	
Personnel Liabilities-FECA Liability to be paid to DOL	\$ 1,813
Employer Contribution & Payroll Taxes	250
Total Intragovernmental Liabilities	\$ 2,063
Other Liabilities:	
Accounts Payable	\$ 5,188
Unfunded Annual Leave	5,158
Other Liabilities	1,460
Total Other Liabilities	\$ 11,806
Liabilities Not Covered by Budgetary Resources:	
Accrued Payroll and Benefits (Note 7)	\$ 2,207
Actuarial FECA Liability (Note 7)	10,813
Contingencies (Note 8)	65,875
Environmental and Disposal Liabilities (Note 9)	2,610
Total Liabilities Not Covered by Budgetary Resources	\$ 81,505
Total Liabilities	\$ 95,374
NET POSITION: (Note 10)	
Cumulative Results of Operations	\$ 250,462
Unexpended Appropriations	108,218
Total Net Position	\$ 358,680
Total Liabilities and Net Position	\$ 454,054

See Accountant's Compilation Report



Department of Homeland Security
FEDERAL LAW ENFORCEMENT TRAINING CENTER
STATEMENT OF NET COST
For the Seven Months Ended September 30, 2003
(Dollars in Thousands)

	<u>2003</u>
COSTS:	
Department of Homeland Security Programs	
Production Costs	
Intragovernmental	\$ 21,228
With the Public	114,064
Total Production Costs	<u>\$ 135,292</u>
Non-Production Costs	
With the Public	<u>\$ 2,610</u>
Earned Revenues	
Intragovernmental	\$ 39,613
With the Public	1,188
Total Earned Revenues	<u>\$ 40,801</u>
Total Homeland Security Programs Net Cost	<u><u>\$ 97,101</u></u>
NET COST OF HOMELAND SECURITY PROGRAMS	<u><u>\$ 97,101</u></u>
NET COST OF OPERATIONS (Note 11)	<u><u>\$ 97,101</u></u>

See Accountant's Compilation Report

Financial Statements

Department of Homeland Security
FEDERAL LAW ENFORCEMENT TRAINING CENTER
STATEMENT OF CHANGES IN NET POSITION
For the Seven Months Ended September 30, 2003
(Dollars in Thousands)

2003

RESULTS OF OPERATION

Beginning Balances - 3/1/2003	\$	-
Prior Period Adjustments		0
Beginning Balances, as Adjusted		<u>0</u>

Budgetary Financing Sources:

Appropriations Used	104,635
Donations	1
Transfers In/Out Without Reimbursement	6,080
Other Adjustments	309

Other Financing Sources:

Transfers In/Out Without Reimbursement	228,375
Imputed Financing Sources	<u>8,163</u>

Total Financing Sources	<u>\$ 347,563</u>
-------------------------	-------------------

Net Cost of Operations	<u>(97,101)</u>
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NET POSITION FROM OPERATIONS	<u>\$ 250,462</u>
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UNEXPENDED APPROPRIATION

Beginning Balances - 3/1/2003	\$	-
Prior Period Adjustments		0
Beginning Balances, as Adjusted		<u>0</u>

Budgetary Financing Sources:

Appropriations Received	2,000
Appropriations Transfer In/Out	212,669
Other Adjustments	(1,704)
Appropriations Used	<u>(104,747)</u>

Subtotal - Total Financing Sources	<u>\$ 108,218</u>
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NET POSITION OF UNEXPENDED APPROPRIATIONS	<u>\$ 108,218</u>
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TOTAL NET POSITION	<u>\$ 358,680</u>
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See Accountant's Compilation Report



Department of Homeland Security
FEDERAL LAW ENFORCEMENT TRAINING CENTER
STATEMENT OF BUDGETARY RESOURCES
For the Seven Months Ended September 30, 2003
(Dollars in Thousands)

	<u>2003</u>
BUDGETARY RESOURCES (Note 12)	
Budget Authority:	
Appropriations Received	\$ 2,000
Net Transfers	121,864
Unobligated Balance	
Beginning of Period	0
Net Transfers	39,529
Spending Authority from Offsetting Collections Earned	
Collected	40,739
Received from Federal Sources	(105)
Change in Unfilled Customer Orders	
Advance Received	(3,308)
Without Advance from Federal Sources	(16,135)
Subtotal	<u>21,191</u>
Recoveries of Prior Year Obligations	7,919
Permanently Not Available	(1,394)
TOTAL BUDGETARY RESOURCES	<u>\$ 191,109</u>
 STATUS OF BUDGETARY RESOURCES	
Obligations Incurred	
Direct	\$ 112,260
Reimbursable	<u>22,433</u>
Subtotal	<u>134,693</u>
Unobligated Balance	
Apportioned	47,005
Unobligated Balance Not Available	9,411
TOTAL STATUS OF BUDGETARY RESOURCES	<u>\$ 191,109</u>
 RELATIONSHIP OF OBLIGATIONS TO OUTLAYS	
Obligated Balance, Net, Beginning of Period	\$ -
Transferred, Net	\$ 49,001
Obligated Balance, Net, End of Period	
Accounts Receivable	(9,689)
Unfilled Customer Orders from Federal Sources	(5,283)
Undelivered Orders	61,535
Accounts Payable	7,994
Outlays	
Disbursements	137,458
Collections	<u>(37,431)</u>
Subtotal	<u>\$ 100,027</u>
Less: Offsetting Receipts	<u>(16)</u>
NET OUTLAYS	<u>\$ 100,011</u>

See Accountant's Compilation Report

Financial Statements

Department of Homeland Security
FEDERAL LAW ENFORCEMENT TRAINING CENTER
STATEMENT OF FINANCING
For the Seven Months Ended September 30, 2003
(Dollars in Thousands)

	<u>2003</u>
Budgetary Resources Obligated	
Obligations Incurred	\$ 134,693
Less: Spending Authority from Offsetting Collections and Recoveries	29,109
Obligations Net of Offsetting Collections and Recoveries	<u>105,584</u>
Less: Offsetting Receipts	16
Net Obligations	\$ 105,568
Other Resources	
Transfers In/out Without Reimbursement	\$ 228,375
Imputed Financing from Costs Absorbed by Others	8,163
Other	<u>310</u>
Net Other Resources Used to Finance Activities	<u>236,848</u>
Total Resources Used to Finance Activities	\$ 342,416
Resources Used to Finance Items Not Part of the Net Cost of Operations	
Change in Budgetary Resources Obligated for Goods, Services and Benefits Ordered but not yet Provided	\$ 82,642
Resources that Fund Expenses Recognized in Prior Periods	1,236
Other	-
Resources that Finance the Acquisition of Assets or Liquidation of Liabilities	21,145
Other Resources or Adjustments to Net Obligated Resources that do not Affect Net Cost of Operations	<u>155,475</u>
Total Resources Used to Finance Items Not Part of the Net Cost of Operations	<u>260,498</u>
Total Resources Used to Finance the Net Cost of Operations	<u>\$ 81,918</u>
Components Requiring or Generating Resources in Future Periods	
Increase in Annual Leave Liability	\$ 735
Increase in Environmental and Disposal Liability	2,610
Increase in Exchange Revenue Receivable	91
Other	<u>1,236</u>
Total Components of Net Cost of Operations that will Require or Generate Resources in Future Periods	<u>\$ 4,672</u>
Components not Requiring or Generating Resources	
Depreciation and Amortization	\$ 10,272
Revaluation of Assets and Liabilities	223
Other	<u>16</u>
Total components of Net Cost of Operations that will not Require or Generate Resources	\$ 10,511
Total components of Net Cost of Operations that will not Require or Generate Resources in the Current Period	<u>\$ 15,183</u>
Net Cost of Operations	<u>\$ 97,101</u>

See Accountant's Compilation Report

U.S. Department of Homeland Security
Federal Law Enforcement Training Center



Homeland Security

Notes to the Financial Statements

Fiscal Year 2003

Notes to the Financial Statements

Note 1: Summary Of Significant Accounting Policies

A. Reporting Entity

The FLETC, a component of the Department of Homeland Security (DHS), serves as an interagency law enforcement training center. The FLETC provides facilities, equipment, and support services for conducting law enforcement training for Federal agencies and specialized programs for State and local agencies and foreign governments. The FLETC was established on July 1, 1970, by Treasury Department Order No. 217, as an organizational entity within the Department of the Treasury under the supervision of the Under Secretary (Enforcement). The FLETC transferred to the DHS on March 1, 2003, as an entity within the Directorate of Border and Transportation Security by the Homeland Security Act of 2002 (P.L. 107-296). Training sites and offices include Glynco, Georgia; Artesia, New Mexico; Washington, DC; Charleston, South Carolina; and Cheltenham, Maryland. Also, the FLETC conducts training in four International Law Enforcement Academies (ILEA) located in Budapest, Hungary; Bangkok, Thailand; Gaborone, Botswana; and South America. The programs and operations of the FLETC are funded principally through Congressional appropriations on an annual, multi-year, and no-year basis. Accordingly, operating costs incurred and recorded as expenses are offset by an equal amount of appropriated funds that are recorded as financing sources or an offset by reimbursable revenue or other financing sources.

B. Basis Of Accounting And Presentation

The FLETC maintains its accounting records and prepares its financial statements on the accrual basis of accounting. The FLETC has historically prepared its financial statements in accordance with generally accepted accounting principles, based on accounting standards issued by the Financial Accounting Standards Board (FASB), the private-sector standards-setting body. In October 1999, the Federal Accounting Standards Advisory Board (FASAB) was designated by the American Institute of Certified Public Accountants (AICPA) as the standards-setting body for financial statements of Federal government entities, with respect to the establishment of generally accepted accounting principles. FASB has indicated, however, that financial statements prepared based upon accounting standards published by FASB may also be regarded as in accordance with generally accepted accounting principles for those Federal entities, such as the FLETC, that have issued financial statements based upon FASB accounting standards in the past. Therefore, consistent with historical reporting, the FLETC financial statements are presented in accordance with accounting standards published by the FASB.

C. Assets And Liabilities

Entity intra-governmental assets and liabilities result from activity with other Federal agencies. All other entity assets and liabilities result from activity with parties outside the Federal government, such as domestic and foreign persons, organizations, or governments outside the U.S. Government. Assets represent tangible items that have probable economic benefits that can be obtained or controlled by the FLETC. Liabilities represent the amount of monies or other resources that are likely to be paid as a result of a transaction or event that has already occurred. However, no liability can be paid absent an appropriation. Liabilities for which an appropriation has not been enacted are, therefore, classified as Liabilities not covered by Budgetary Resources.



Although future appropriations to fund the liabilities are likely and anticipated, it is not certain that appropriations will be enacted to fund these liabilities. Also, liabilities arising from other than contracts can be abrogated by the Government, acting in its sovereign capacity.

D. Fund Balances With Treasury

Fund balances with Treasury represent funds available to pay liabilities and finance authorized expenditures.

E. Accounts Receivable And Related Allowances For Uncollectable Amounts

Outstanding billed reimbursable costs for goods and services provided to other Federal agencies and State and local governments comprise the majority of accounts receivable. The FLETC uses the allowance method for recognizing bad debt expense on state and local government accounts receivable.

F. Governmental Advances

The governmental advances consist of advances to the Department of the Treasury Working Capital Fund (WCF) for expenses of operating and maintaining common administrative services of Treasury provided to the FLETC. In accordance with the established Treasury WCF procedures, funds for services are collected in advance and expended as services are provided by the WCF.

G. Operating Materials And Supplies

Operating materials and supplies are tangible personal property that takes one of three forms: held for sale under the reimbursable program; consumed in the process of production for reimbursable services; or consumed in the provision of direct program services. A financial resource is recognized when title passes to the FLETC, or goods are in the FLETC's possession. At the time title passes to the purchaser, or the goods are used in the provision of a service, the financial resource is removed from the account.

H. Property, Plant, And Equipment

Property, plant, and equipment purchased individually that costs \$50,000 or more are capitalized. Major alterations and renovations are also capitalized. Depreciation is calculated on a straight-line basis over the useful life of the asset.

I. Accrued Annual, Sick, And Other Leave And Compensatory Time

Annual leave, compensatory time, and other leave time are accrued when earned. The accrual is presented as a component of liabilities not covered by budgetary resources in the Balance Sheet and is adjusted for changes in compensation rates and reduced for annual leave taken. Sick leave is not accrued when earned, but is expensed when taken.

Notes to the Financial Statements

J. Pension Costs And Other Retirement Benefits

In general, FLETC employees hired prior to January 1, 1984, participate in the Civil Service Retirement System (CSRS), while employees' hired after that date participate in the Federal Employees' Retirement System (FERS). FLETC and its employees contribute to the retirement plan a certain percent of base pay as provided by the Office of Personnel Management (OPM). The cost of providing these benefits by OPM is more than the amount contributed by FLETC and its employees. As a result of SFFAS No. 5, FLETC is required to report the full cost of providing pension benefits, to include the cost financed by OPM. The additional cost is included as an expense and as an imputed financing source in the FLETC's Statement of Change in Net Position.

K. Federal Employee Benefits Payable – FECA Actuarial Liability

The Federal Employees Compensation Act (FECA) program is administered by the U.S. Department of Labor (DOL) and provides income and medical cost protection to covered Federal civilian employees who have been injured on the job or have incurred a work-related occupational disease. Beneficiaries of employees whose death is attributable to a job-related injury or occupational disease receive compensation. The DOL initially pays valid FECA claims for all of the Federal government and seeks reimbursement two fiscal years later from the Federal agencies employing the claimants. Estimated future FECA costs are determined by the DOL for the DHS, which in turn, allocates to the FLETC the actuarial liabilities not covered by budgetary resources. This governmental liability is determined by using the paid losses extrapolation method calculated over the next 37-year period. This method utilizes historical benefit payment patterns related to a specific incurred period to predict the ultimate payments related to that period.

L. Litigation Contingencies And Settlements

Probable and estimable unsettled litigation and claims against the FLETC are recognized as a liability and expensed for the full amount of the expected loss. Expected litigation and claim losses include settlements to be paid from the Treasury Judgement Fund on behalf of the FLETC and settlements to be paid from FLETC appropriations. Settlements paid from the Judgement Fund for the FLETC are recognized as an expense and imputed financing.

M. Revenues And Financing Sources

The FLETC receives the majority of its funding through annual, multi-year, no-year, and trust fund appropriations that may be used within statutory limits for operating and capital expenditures. Appropriations are recognized as financing sources when the related expenses are incurred. The FLETC enters into reimbursable agreements with the Department of Homeland Security and other Federal entities for services or goods provided. Under these arrangements, one entity provides goods or services to another at an agreed-upon price, and revenue from reimbursable agreements is recognized when the services are provided. Other minor financing sources include gifts and transfers from the Department of Justice's Violent Crime Reduction Trust Fund.



N. Imputed Costs/Financing Sources

The FLETC often receives goods and services from other Federal Government entities without reimbursing the providing entity for all related goods. These are subsidized costs that are recognized as imputed costs by the FLETC. Conversely, the FLETC often incurs costs that are partially or totally paid for other entities. These are recorded as imputed financing sources. The FLETC recognized both imputed costs and financing sources to the extent directed by the DHS and OMB.

Note 2: Fund Balances With Treasury

Entity fund balances with Treasury as of September 30, 2003, are as follows (in thousands):

Fund Type	2003
Trust Funds	\$287
Appropriated Funds	110,686
Other Fund Types	<u>166</u>
TOTAL	<u>\$111,139</u>

Trust fund balances are comprised of gifts and transfers from the Department of Justice’s Violent Crime Reduction Trust Fund. Other fund balances result from the FLETC’s authority to use the proceeds from the sale of surplus items and recyclable materials to purchase like-items.

Status Of Fund Balance With Treasury

As of September 30, 2003, the status of fund balance with Treasury consisted of the following.

Status	2003
Unobligated Balance - Available	\$46,972
Unobligated Balance - Unavailable	9,444
Obligated Balance Not Yet Disbursed	<u>54,557</u>
TOTAL	<u>\$110,973</u>

Note 3: Accounts Receivable

Entity Intra-Governmental Accounts Receivable

Intra-governmental Accounts Receivables due from other Federal agencies, as of September 30, 2003 total \$9.7 million, and are considered fully collectible.

Notes to the Financial Statements

Entity Accounts Receivable, Net

Receivables due from the public are recognized for law enforcement training provided to State, local and foreign governments. As of September 30, 2003, receivables from the public total \$1.1 million and are net of uncollectible amounts totaling \$38 thousand. The allowance for estimated uncollectible accounts receivable due from the public is determined by using the Percentage Analysis Method. The Percentage Analysis Method derives an estimated percentage of uncollectible accounts receivable by account type that is based on the experience of collecting past due accounts. The Specific Identification Method is used when actual uncollectible amounts of receivable are known.

Note 4: Advances and Prepayments

Entity advances and prepayments as of September 30, 2003 consist of \$2 million to the Treasury Working Capital Fund.

The Working Capital Fund balance is available for expenses of operating and maintaining common administrative services of Treasury that have been determined as more advantageous and economical to be carried out as centralized service. Expenses are recognized as services, which are provided by the Working Capital Fund.

Note 5: Operating Materials and Supplies

Operating materials and supplies as of September 30, 2003, consist of the following (in thousands):

	<u>2003</u>
Ammunition	\$3,175
Uniforms	2,366
Maintenance materials and supplies	113
Training and office supplies	788
Gas and oil	28
Auto materials and supplies	<u>321</u>
TOTAL	<u>\$6,791</u>

The value of operating materials and supplies is determined by the average cost method.



Note 6: Property, Plant, and Equipment

Property, plant, and equipment (PP&E) as of September 30, 2003, consist of the following (in thousands):

PP&E Category	Depreciation Method	Service Life	2003
Land	-	-	\$ 4,077
Structure, Facilities	Straight Line	20 - 30 Years	282,242
Accumulated Depreciation			<u>(72,082)</u>
Net Book Value			<u>210,160</u>
Equipment	Straight Line	6 - 10 Years	6,659
Accumulated Depreciation			<u>(5,092)</u>
Net Book Value			<u>1,567</u>
Construction in Progress	-	-	43,088
Leasehold Improvements	Straight Line	20 - 30 Years	213
Accumulated Depreciation			<u>(2)</u>
Net Book Value			<u>211</u>
Capital Leases	Straight Line	20 Years	68,031
Accumulated Depreciation			<u>(3,101)</u>
Net Book Value			<u>64,930</u>
TOTAL			<u>\$324,033</u>

Property, plant, and equipment are valued at cost. Property and equipment transferred to the FLETC from the Department of Defense on the date that FLETC relocated to Glynco is stated as the transfer value that approximates historical cost. Major construction, renovation, and equipment acquisitions are capitalized, while maintenance, repair, and minor equipment costs are charged to expenses as incurred. Property, plant, and equipment purchased individually that cost \$50,000 or more are capitalized.

Note 7: Other Liabilities Not Covered By Budgetary Resources

As of September 30, 2003, other liabilities not covered by budgetary resources consist of the following (in thousands):

	2003
Accrued Payroll and Benefits	\$2,207
FECA Liability	<u>10,813</u>
TOTAL	<u>\$13,020</u>

Notes to the Financial Statements

Note 8: Contingent Liabilities

The FLETC is involved in various and administrative proceedings incidental to its operations. Management vigorously contests all claims and lawsuits. As of September 30, 2003, the FLETC recorded contingent liabilities of \$66 million.

Not Covered By Budgetary Resources	2003
Probable Estimate	\$65,875
Possible Minimum	-
Possible Maximum	\$65,875

In FY 2001 and FY 2002, the FLETC entered into 20-year leases for the construction and operation of three private, hotel-type facilities to meet an urgent need for additional law enforcement student housing. Acting under a delegation of procurement authority from the General Services Administration and applying a performance-based approach, the FLETC consummated the “build-lease” arrangement as operating leases. The FLETC used an income analysis method and the prevailing Treasury discount rate during the review of proposals to compute fair market value and net present value of the total net lease payments, respectively, to satisfy the 90 percent operational lease test requirement.

Pending a formal determination and resolution as to whether the above “build-lease” arrangement are either capital or operating leases in accordance with the budget scoring criteria set forth in OMB Circular A-11, the FLETC has opted to disclose the “build-lease” arrangement and record \$66 million, the remaining net present value of the net lease payments for the three facilities, as contingent liabilities. The FLETC recorded no obligation in FY 2003.

Operating Leases

A. FLETC as a Lessee

FLETC leases various facilities under leases accounted for as operating leases. The leased facilities consist of an office in Washington, DC, leased from the General Services Administration and a warehouse in Glynco, GA leased commercially. The lease expenses under these arrangements in future years are as follows (in thousands):

Land and Building	Year	Amount
	1 (2004)	\$328
	2 (2005)	328
	3 (2006)	328
	4 (2007)	328
	5 (2008)	328
	After 5 Years	<u>1,622</u>
	Total Future Payment	<u>\$3,262</u>



B. FLETC as a Lessor

The FLETC purchased a 20-acre real property in Brunswick, Georgia, in FY 2003, that has an irrevocable 50-year lease for a communication tower by SBA Properties, Inc. The lease is for an initial term of five years and renews up to ten additional terms of five years each, unless the lessee notifies the FLETC of its intent of non-renewal. The lease payment for the first five years is \$800 monthly or \$9,600 annually and increases by 15% with the sixth year and every fifth year thereafter (in thousands):

Communication Tower	Year	Amount
	1 (2004)	\$10
	2 (2005)	10
	3 (2006)	10
	4 (2007)	10
	5 (2008)	10
	After 5 Years	<u>916</u>
	Total Future Payment	<u>\$967</u>

Note 9: Environmental Clean-Up Liability

The FLETC has recorded a \$2.6 million environmental clean-up costs liability for the four outdoor firearms dirt ranges at Glynco, GA, due to lead contamination. The clean-up requirements for the firearms ranges are governed by the State of Georgia Hazardous Waste Management Act (O.C.G.A. Section 12.8.60). The FLETC tentatively plans to close the four outdoor ranges in August 2004, as soon as two other firearms ranges are completely renovated.

Note 10: Net Position

Cumulative results of operations is the net difference between (1) expenses and losses and (2) financing sources, including appropriated capitals used, revenues, and gains, since the inception of the entity. Unexpended appropriations represent the amount of spending authorized as of year-end that is unliquidated or unobligated and had not lapsed, been rescinded, or been withdrawn. No-year appropriations remain available for obligation until expended. Annual appropriations remain available for upward or downward adjustment of obligations until expired.



Self Defense Training Classes
Federal Law Enforcement Training Center, Glynco, Georgia

Notes to the Financial Statements

Note 11: Statement Of Net Cost

The program displayed links to the mission listed in the FLETC FY 2000-2005 Strategic Plan.

Gross cost and earned revenue for the seven months that ended September 30, 2003, consist of the following (in thousands):

Homeland Security Program	2003
Gross Cost	\$137,902
Earned Revenue	<u>40,801</u>
Net Cost	<u>\$97,101</u>

The breakdown of program expenses by budget object class for the seven months that ended September 30, 2003, consists of the following (in thousands):

Program Expenses	2003
Personnel Compensation	\$37,305
Personnel Benefits	19,217
Travel and Transportation of Persons	4,354
Transportation of Things	567
Rent, Communication and Utilities	5,208
Printing and Reproduction	652
Services	40,268
Supplies and Materials	7,341
Equipment (Non-capitalized)	6,042
Minor Maintenance	3,098
Disposition of Assets	223
Depreciation and Maintenance	10,272
Bad Debts Expense	16
Claims and Indemnities	720
Interest	9
Subtotal	<u>\$135,292</u>
Non-Production Costs	<u>2,610</u>
TOTAL	<u>\$137,902</u>



Note 12: Statement of Budgetary Resources

As of September 30, 2003, budgetary resources obligated for undelivered orders total \$61.5 million. The FLETC did not have any borrowing or contract authority, and did not have any repayment requirements, financing sources for repayments, or any other terms of borrowing authority used.

Adjustments to budgetary resources available on March 1, 2003, consist of the following (in thousands):

Homeland Security Program	2003
Recoveries of prior year obligations	\$7,919
Cancellation of expired and no-year accounts	(1,394)
Enacted rescissions of prior year balance	-
Permanently not available PL105-61	-
Net Transfers, current year authority realized	-
TOTAL	<u>\$6,525</u>



International Law Enforcement Academy
Gaborone, Botswana



FEDERAL LAW ENFORCEMENT TRAINING CENTER



Secretary Tom Ridge addresses students, faculty and staff during a visit to the Federal Law Enforcement Training Center in Glynn County, Georgia on March 25, 2004

U.S. Department of Homeland Security
Federal Law Enforcement Training Center



Homeland Security

Custodial Financial Statement

Fiscal Year 2003

Custodial Financial Statement

Department of Homeland Security
FEDERAL LAW ENFORCEMENT TRAINING CENTER
STATEMENT OF CUSTODIAL ACTIVITY
For the Seven Months Ended September 30, 2003
(Dollars in Thousands)

	<u>2003</u>
SOURCES OF CUSTODIAL REVENUE & COLLECTIONS (Note 1)	
REVENUE RECEIVED	
Fines, Penalties, Interest & Other Revenue	\$ 16
TOTAL REVENUE RECEIVED	<u>\$ 16</u>
NET REVENUE RECEIVED	<u>\$ 16</u>
TOTAL REVENUE	\$ 16
DISPOSITION OF CUSTODIAL REVENUE & COLLECTIONS	
Amounts Provided to Fund the Federal Government	\$ 16
Total Disposition of Custodial Revenue & Collection	\$ 16
NET CUSTODIAL REVENUE ACTIVITY	<u>\$ -</u>

See Accountant's Compilation Report

Notes to the Custodial Financial Statements

NOTE 1: BASIS OF ACCOUNTING

The Statement of Custodial Activity reports collections of miscellaneous receipts using the cash basis of accounting; i.e., when remittance is received. Revenue disposition is also reported on a cash basis.





*Federal Law Enforcement Peace Officers Memorial
Federal Law Enforcement Training Center, Glynco, Georgia*

U.S. Department of Homeland Security
Federal Law Enforcement Training Center



Homeland Security

Supplemental Information

Fiscal Year 2003

Accountant's Compilation Report

Federal Law Enforcement Training Center
U. S. Department of Homeland Security
1131 Chapel Crossing Road
Glynco, Georgia 31524



Homeland Security

September 30, 2003

To: FLETC Management, Partner Organizations and Other Stakeholders

We have compiled the accompanying statements of Statement of Net Cost, Statement of Changes in Net Position, Statement of Budgetary Resources, Statement of Financing, and Statement of Custodial Activity for the FLETC as a bureau of the legacy Department of Treasury, as of and for the five months that ended February 28, 2003, in accordance with the Statements on Standards issued by the Financial Accounting Standards Board, designated by the American Institute of Certified Public Accountants as the standards setting body for financial statements of the Federal government, with respect to the establishment of generally accepted accounting principles.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. The Treasury OIG expressed an opinion on the Consolidated Treasury financial statements taken as a whole and not the stand-alone financial statements of the FLETC. Therefore there is no opinion expressed or any other form of assurance on the FLETC stand-alone financial statements as of and for the five months that ended February 28, 2003.

These financial statements are presented in accordance with the requirements of OMB Bulletin No. 01-09 (Form and Content of Agency Financial Statements). The financial statements show no comparative Fiscal Year 2002 data due to the transfer of the FLETC to the Department of Homeland Security in March 2003.



Julie Martin

Julie Martin
Deputy Chief Financial Officer
Federal Law Enforcement Training Center

www.fletc.gov



Department of the Treasury
FEDERAL LAW ENFORCEMENT TRAINING CENTER
STATEMENT OF NET COST
For the Five Months Ended February 28, 2003
(Dollars in Thousands)

2003

COSTS:

Law Enforcement Program: Safeguard Our
Financial Systems, Protect Our Nation's
Leaders, and Secure a Safe and Drug-Free
America

Program Costs

Intragovernmental	\$ 8,189
With the Public	74,727
Total Program Costs	<u>\$ 82,916</u>

Earned Revenues

Intragovernmental	\$ 23,164
With the Public	577
Total Earned Revenues	<u>\$ 23,741</u>

Total Law Enforcement Program Net Cost \$ 59,175

NET COST OF TREASURY OPERATIONS \$ 59,175

NET COST OF OPERATIONS (Note 1) \$ 59,175

See Accountant's Compilation Report

Supplemental Information

Department of the Treasury
FEDERAL LAW ENFORCEMENT TRAINING CENTER
STATEMENT OF CHANGES IN NET POSITION
For the Five Months Ended February 28, 2003
(Dollars in Thousands)

	<u>2003</u>
<u>RESULTS OF OPERATION (Note 2)</u>	
Beginning Balances - 10/1/2002	\$ 210,940
Prior Period Adjustments (Note 3)	1,029
Beginning Balances, as Adjusted	<u>211,969</u>
Budgetary Financing Sources:	
Other Adjustments	0
Appropriations Used	80,046
Transfers In/Out Without Reimbursement	8,264
Other	(114)
Other Financing Sources:	
Transfers In/Out Without Reimbursement	(242,628)
Imputed Financing Sources	<u>1,638</u>
Total Financing Sources	<u>\$ (152,794)</u>
Net Cost of Operations	<u>(59,175)</u>
NET POSITION FROM OPERATIONS	<u>\$ -</u>
<u>UNEXPENDED APPROPRIATION</u>	
Beginning Balances - 10/1/2002	\$ 120,814
Prior Period Adjustments	(1,029)
Beginning Balances, as Adjusted	<u>119,785</u>
Budgetary Financing Sources:	
Appropriations Received	172,684
Appropriations Transfer In/Out	(212,501)
Other Adjustments	(2,844)
Appropriations Used	<u>(77,124)</u>
Subtotal - Total Financing Sources	<u>\$ (119,785)</u>
NET POSITION OF UNEXPENDED APPROPRIATIONS	<u>\$ -</u>
TOTAL NET POSITION	<u><u>\$ -</u></u>

See Accountant's Compilation Report



Department of the Treasury
FEDERAL LAW ENFORCEMENT TRAINING CENTER
STATEMENT OF BUDGETARY RESOURCES
 For the Five Months Ended February 28, 2003
 (Dollars in Thousands)

	<u>2003</u>
BUDGETARY RESOURCES (Note 4)	
Budget Authority:	
Appropriations Received	\$ 170,986
Net Transfers	(121,492)
Unobligated Balance	
Beginning of Period	58,392
Net Transfers	(39,903)
Spending Authority from Offsetting Collections Earned	
Collected	21,523
Received from Federal Sources	1,770
Change in Unfilled Customer Orders	
Advance Received	3,941
Without Advance from Federal Sources	14,376
Subtotal	41,610
Recoveries of Prior Year Obligations	10,568
Permanently Not Available	(1,111)
TOTAL BUDGETARY RESOURCES	\$ 119,050
 STATUS OF BUDGETARY RESOURCES	
Obligations Incurred	
Direct	\$ 75,888
Reimbursable	43,162
Subtotal	119,050
Unobligated Balance	
Apportioned	0
Unobligated Balance Not Available	0
TOTAL STATUS OF BUDGETARY RESOURCES	\$ 119,050
 RELATIONSHIP OF OBLIGATIONS TO OUTLAYS	
Obligated Balance, Net, Beginning of Period	\$ 59,968
Transferred, Net	\$ 49,000
Obligated Balance, Net, End of Period	
Accounts Receivable	0
Unfilled Customer Orders from Federal Sources	0
Undelivered Orders	0
Accounts Payable	0
Outlays	
Disbursements	103,303
Collections	(25,463)
Subtotal	\$ 77,840
Less: Offsetting Receipts	(5)
NET OUTLAYS	\$ 77,835

See Accountant's Compilation Report

Supplemental Information

Department of the Treasury
FEDERAL LAW ENFORCEMENT TRAINING CENTER
STATEMENT OF FINANCING
For the Five Months Ended February 28, 2003
(Dollars in Thousands)

	<u>2003</u>
Budgetary Resources Obligated	
Obligations Incurred	\$ 119,049
Less: Spending Authority from Offsetting Collections and Recoveries	52,177
Obligations Net of Offsetting Collections and Recoveries	<u>66,872</u>
Less: Offsetting Receipts	5
Net Obligations	\$ 66,867
Other Resources	
Transfers In/out Without Reimbursement	\$ (242,628)
Imputed Financing from Costs Absorbed by Others	1,638
Other	-
Net Other Resources Used to Finance Activities	<u>240,990</u>
Total Resources Used to Finance Activities	\$ (174,123)
Resources Used to Finance Items Not Part of the Net Cost of Operations	
Change in Budgetary Resources Obligated for Goods, Services and Benefits Ordered but not yet Provided	\$ 8,886
Resources that Fund Expenses Recognized in Prior Periods	163
Budgetary Offsetting Collections and Receipts that do not Affect Net Cost of Operations	5
Resources that Finance the Acquisition of Assets or Liquidation of Liabilities	4,297
Other Resources or Adjustments to Net Obligated Resources that do not Affect Net Cost of Operations	(241,586)
Total Resources Used to Finance Items Not Part of the Net Cost of Operations	<u>(228,235)</u>
Total Resources Used to Finance the Net Cost of Operations	<u>\$ 54,112</u>
Components Requiring or Generating Resources in Future Periods	
Increase in Annual Leave Liability	\$ -
Increase in Exchange Revenue Receivable	\$ -
Other	-
Total Components of Net Cost of Operations that will Require or Generate Resources in Future Periods	<u>\$ -</u>
Components not Requiring or Generating Resources	
Depreciation and Amortization	\$ 5,063
Revaluation of Assets and Liabilities	-
Other	-
Total components of Net Cost of Operations that will not Require or Generate Resources	<u>\$ 5,063</u>
Total components of Net Cost of Operations that will not Require or Generate Resources in the Current Period	<u>\$ 5,063</u>
Net Cost of Operations	\$ 59,175

See Accountant's Compilation Report



Department of Treasury
FEDERAL LAW ENFORCEMENT TRAINING CENTER
STATEMENT OF CUSTODIAL ACTIVITY
For the Five Months Ended February 28, 2003
(Dollars in Thousands)

2003

SOURCES OF CUSTODIAL REVENUE & COLLECTIONS (Note 5)

REVENUE RECEIVED

Fines, Penalties, Interest & Other Revenue \$ 5

TOTAL REVENUE RECEIVED \$ 5

NET REVENUE RECEIVED \$ 5

TOTAL REVENUE \$ 5

DISPOSITION OF CUSTODIAL REVENUE & COLLECTIONS

Amounts Provided to Fund the Federal Government \$ 5

Total Disposition of Custodial Revenue & Collection \$ 5

NET CUSTODIAL REVENUE ACTIVITY \$ -

See Accountant's Compilation Report

Supplemental Information

NOTE 1: STATEMENT OF NET COST

Gross cost and earned revenue for the five months that ended February 28, 2003, consist of the following (in thousands):

Law Enforcement Program	2003
Gross Cost	\$82,916
Earned Revenue	<u>23,741</u>
Net Cost	<u>\$59,175</u>

The breakdown of program expenses by budget object class for the five months that ended February 28, 2003, consists of the following (in thousands):

Program Expenses	2003
Personnel Compensation	\$23,932
Personnel Benefits	8,396
Travel and Transportation of Persons	2,091
Transportation of Things	379
Rent, Communication and Utilities	3,209
Printing and Reproduction	482
Services	24,584
Supplies and Materials	4,548
Equipment (Non-capitalized)	8,150
Minor Maintenance	1,947
Disposition of Assets	114
Depreciation and Maintenance	5,063
Bad Debts Expense	0
Claims and Indemnities	20
Interest	<u>1</u>
TOTAL	<u>\$82,916</u>

NOTE 2: NET POSITION

Cumulative results of operations is the net difference between (1) expenses and losses and (2) financing sources, including appropriated capitals used, revenues, and gains, since the inception of the entity. Unexpended appropriations represent the amount of spending authorized as of year-end that is unliquidated or unobligated and had not lapsed, been rescinded, or been withdrawn. No-year appropriations remain available for obligation until expended. Annual appropriations remain available for upward or downward adjustment of obligations until expired.

NOTE 3: STATEMENT OF NET POSITION – PRIOR PERIOD ADJUSTMENTS

The FLETC adjusted the cumulative results of operations account balance during FY 2003 for corrections relating to prior year activity associated with surplus sales and Department of Labor actuarial charges. The net effect of the adjustments to FY 2003 for the five months that ended February 28, 2003 cumulative results of operations account balances totaled \$1.0 million.

NOTE 4: STATEMENT OF BUDGETARY RESOURCES

As of February 28, 2003, the entire budgetary resources obligated for undelivered orders were transferred to DHS. The FLETC did not have any borrowing or contract authority, and did not have any repayment requirements, financing sources for repayments, or any other terms of borrowing authority used.

Adjustments to budgetary resources available at the beginning of FY 2003 consist of the following (in thousands):

	2003
Recoveries of prior year obligations	\$10,568
Cancellation of expired and no-year accounts	(1,111)
Enacted rescissions of prior year balance	-
Permanently not available PL105-61	-
Net Transfers, current year authority realized	-
Total	<u>\$9,457</u>



Director Connie Patrick presents Secretary Tom Ridge with an Honorary Instructors Award during his visit to the Federal Law Enforcement Training Center, Glynco, Georgia on March 25, 2004

U.S. Department of Homeland Security
Federal Law Enforcement Training Center



Homeland Security

Additional Supplemental Information

Fiscal Year 2003

Additional Supplemental Information

FLETC COMBINED FY 2003 NET COST OF OPERATION

The FY 2003 total gross cost of operation and earned revenue (combined Treasury and DHS) for the FLETC are as follows (in thousands):

FLETC Combined Net Cost (Treasury/DHS)	2003
Gross Cost	\$220,818
Earned Revenue	<u>64,542</u>
Net Cost	<u>\$156,276</u>

PROGRAM EXPENSES

The breakdown of FY 2003 total program expenses by budget object class (combined Treasury and DHS) for the FLETC consists of the following (in thousands):

Program Expenses	2003
Personnel Compensation	\$61,237
Personnel Benefits	27,613
Travel and Transportation of Persons	6,445
Transportation of Things	946
Rent, Communication and Utilities	8,417
Printing and Reproduction	1,134
Services	64,852
Supplies and Materials	11,889
Equipment (Non-capitalized)	14,192
Minor Maintenance	5,045
Disposition of Assets	337
Depreciation and Maintenance	15,335
Bad Debts Expense	16
Claims and Indemnities	740
Interest	<u>10</u>
Subtotal	<u>\$218,208</u>
Non-production Costs	<u>2,610</u>
TOTAL	<u>\$218,208</u>



FLETC PARTNER ORGANIZATIONS

3 Branches of Government

30 Member Departments and Independent Agencies

76 Partner Organizations

EXECUTIVE BRANCH:

Agriculture	Forest Service Office of Inspector General
Central Intelligence Agency	Office of Inspector General Office of Security
Commerce	National Institute of Standards and Technology National Marine Fisheries Service Office of Export Administration Office of Inspector General Office of Security
Defense	Air Force Office of Special Investigations Defense Protective Service National Security Agency Naval Criminal Investigative Service Defense Criminal Investigative Service/Office of Inspector General
Education	Office of Inspector General
Energy	Office of Inspector General
Environmental Protection Agency	Office of Criminal Investigations Office of Inspector General
Federal Deposit Insurance Corporation	Office of Inspector General
General Services Administration	Office of Inspector General
Health and Human Services	Food and Drug Administration National Institutes of Health Office of Inspector General

Additional Supplemental Information

Homeland Security	Citizenship and Inspection Services Customs and Border Protection Federal Emergency Management Agency Federal Protective Service Immigration and Customs Enforcement Office of Inspector General Secret Service Transportation Security Administration U.S. Coast Guard
Housing and Urban Development	Office of Inspector General
Interior	Bureau of Indian Affairs Bureau of Land Management Bureau of Reclamation National Park Service U.S. Park Police Office of Inspector General Office of Surface Mining, Reclamation and Enforcement U.S. Fish and Wildlife Service
Justice	Alcohol, Tobacco and Firearms Bureau of Prisons Drug Enforcement Administration Office of Inspector General U.S. Marshals Service
Labor	Office of Inspector General
National Aeronautics and Space Administration	Office of Inspector General
Nuclear Regulatory Commission	Office of Inspector General
Office of Personnel Management	Office of Inspector General
Railroad Retirement Board	Office of Inspector General
Small Business Administration	Office of Inspector General
Smithsonian	National Zoological Park Office of Protection Services



Social Security Administration	Office of Inspector General
State	Agency for International Development-Office of Inspector General Bureau of Diplomatic Security Office of Inspector General
Tennessee Valley Authority	TVA Police Office of Inspector General
Transportation	Federal Aviation Administration Office of Inspector General
Treasury	Bureau of Engraving and Printing Financial Crimes Enforcement Network Internal Revenue Service Office of Inspector General Treasury Inspector General for Tax Administration U.S. Mint
U.S. Postal Service	Office of Inspector General Postal Inspection Service-Postal Police
Veterans Affairs	Office of Inspector General
JUDICIAL BRANCH:	
Supreme Court	Supreme Court Police
LEGISLATIVE BRANCH:	
U.S. Congress	Government Printing Office - Office of Inspector General Government Printing Office - Office of Security Library of Congress Police U.S. Capitol Police

Additional Supplemental Information

Principle Officials of the FLETC

Director.....	Connie L. Patrick
Chief of Staff.....	Jane Titus
Senior Associate Director for Washington Operations.....	John C. Dooher
Assistant Director - Chief Financial Officer.....	Alan Titus
Deputy Assistant Director for Cheltenham Operations.....	Robert A. Smith
Legal Counsel.....	Willis C. Hunter
Assistant Director - Office of Compliance.....	Paul H. Magalski
Public Affairs Officer.....	Peggy D. Dixon
Deputy Director.....	D. Kenneth Keene
Assistant Director for Training.....	Bruce J. Bowen
Deputy Assistant Director for Training Operations.....	Cynthia J. Atwood
Deputy Assistant Director for Training Management.....	Bradley W. Smith
Deputy Assistant Director for Training Support	Robert S. Gray
Assistant Director for Field Training	George R. Havens
Deputy Assistant Director for Artesia Operations.....	Joseph W. Wright
Deputy Assistant Director for State and Local Training.....	Stanley Moran
Deputy Assistant Director for International Training	Hobart M. Henson
Deputy Assistant Director for Charleston Operations.....	Eugene L. Coon
Assistant Director for Administration	Michael R. Hanneld
Deputy Assistant Director for Assets Management	Gregory G. Carver
Deputy Assistant Director for Human Capital.....	Joseph W. Caneva
Assistant Director - Chief Information Officer.....	Sandy H. Peavy



For Additional Information Contact:

Public Affairs Office
Federal Law Enforcement Training Center
Glynco, GA 31524

(912) 267-2447
Internet Address
<http://www.fletc.gov>



Soldiers of the U. S. Army, 3d Infantry Division (Mechanized) receive specialized training at the Federal Law Enforcement Training Center, Glynco, Georgia



Federal Law Enforcement Peace Officers Memorial
Federal Law Enforcement Training Center, Glynco, Georgia

Federal Law Enforcement Training Center
U.S. Department of Homeland Security
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**Homeland
Security**