



Annual Report

FISCAL YEAR

1978

FEDERAL BUREAU
OF
INVESTIGATION

UNITED STATES
DEPARTMENT
OF
JUSTICE

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**FEDERAL BUREAU OF INVESTIGATION
1978 ANNUAL REPORT**

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ACQUISITIONS



The Federal Bureau of Investigation "...an agency which sets a standard for integrity and for competence, for dedication, for professionalism, for the preservation of the security of our lives and property, and for the protection of the basic rights of the American people..." (JIMMY CARTER, President of the United States, at the swearing-in ceremony for Judge William H. Webster as Director of the FBI, February 23, 1978)



Chief Justice Warren E. Burger administers the oath of office to Director Webster as Mrs. Drusilla L. Webster looks on.

William H. Webster

William H. Webster was sworn in as Director of the FBI on February 23, 1978, at FBI Headquarters. He succeeded Clarence M. Kelley who had served as FBI Director since July, 1973.

Mr. Webster is a native of St. Louis, Missouri. He received a Bachelor of Science degree from Amherst College, Amherst, Massachusetts, in 1947, and a Juris Doctor degree from Washington University Law School, St. Louis, Missouri, in 1949. He served as a Lieutenant in the United States Naval Reserve in World War II and in the Korean War.

Mr. Webster was an attorney with a St. Louis law firm from 1949 to 1954; from 1960 to 1961, he served as United States Attorney for the Eastern District of Missouri. He returned to private practice in 1961, and in 1970 was appointed United States District Judge for the Eastern District of Missouri.

Mr. Webster subsequently served as United States Circuit Judge, Eighth Circuit, from 1973 until his appointment as FBI Director.

A Year Of Transition

Fiscal year 1978 was a year of transition for the FBI—a year during which leadership of the Bureau passed from Clarence M. Kelley to William H. Webster. It was also a year during which the FBI continued to move forward to meet the challenges of modern law enforcement, to maintain its high standards of professionalism, and to protect our society within the framework of the Constitution.

The primary thrust of the FBI's activities was directed toward maintaining an effective nationwide attack upon white-collar crime, organized crime, foreign counter-intelligence and terrorism. To achieve that goal, the men and women of the Bureau conducted a variety of investigations aggressively, but with due respect for, and accountability under, the rule of law. A carefully administered, "quality case" concept served as a principal means for directing the FBI's efforts toward these priority investigative matters.

Realizing that effective enforcement of law in a society as complex as ours requires the closest possible communication and cooperation among law enforcement agencies at all levels—local, state, and Federal—the FBI has continued to work hand in hand with others throughout the criminal justice system, as well as with committees of the Congress, to counter crime. This relationship has produced a cohesive and increasingly more effective body of law enforcement professionals whose depth of skills and standards of performance are indicative of law enforcement agencies working closely together in harmony.

Federal Bureau Of Investigation

The Federal Bureau of Investigation (FBI) investigates violations of certain Federal statutes, collects evidence in cases in which the United States is or may be an interested party, and performs other duties specifically imposed by law or Presidential directive.

If a possible violation of Federal law under the jurisdiction of the FBI has occurred, the FBI will conduct an investigation and thereafter present the facts of the case to the appropriate United States Attorney or Department of Justice official who will determine whether or not prosecution or further action is warranted. The FBI does not give an opinion or decide whether an individual will be prosecuted.

The overall objective of the FBI is to have a significant impact on criminal activity, to investigate civil matters in which the United States Government has an interest, and to provide information to the Executive Branch relating to national security. The FBI's investigative efforts address eleven major program areas. Organized Crime, Foreign Counterintelligence, and White-Collar Crime receive top priority investigative emphasis.

Investigative Efforts

Organized Crime

During Fiscal Year 1978, the FBI continued pressure on organized crime in the United States. Employing a "quality-case" concept in its deployment of investigative resources, the FBI's assault upon organized crime resulted in 883 convictions of hoodlum, gambling, and vice figures throughout the Nation. Several ranking Syndicate officials were among the more than 850 organized crime subjects whose cases were in various stages of prosecution as the fiscal year drew to a close.

In addition to maintaining active investigative programs targeted at traditional racketeering activities of gambling, corruption and loan-sharking, the FBI has added a number of new programs within the past year aimed specifically at combating labor-racketeering, hoodlum infiltration of legitimate business, arson-for-profit, narcotics trafficking, and major pornography operations, especially those victimizing children. These programs are designed to systematically and progressively curtail the sphere of organized crime influence and to reduce its im-

act upon the socioeconomic framework of American society.

On the basis of FBI investigations, the following are some of the major prosecutive actions taken against the organized underworld during Fiscal Year 1978:

On October 21, 1977, the "boss" of one of 27 Syndicate "families" in the United States, Russell Bufalino, was sentenced to serve four years in a Federal penitentiary and fined \$20,000 as a result of a loan-sharking conviction in New York City.

In November, 1977, an FBI investigation concerning allegations of wide-open prostitution, gambling, and narcotics trafficking in Columbia County, Florida, resulted in Federal grand jury indictments of a presiding circuit court judge, a former circuit court judge, two attorneys, an investigator for the public defender's office, and three local businessmen for violations ranging from Bribery and Extortion to Obstruction of Justice and Perjury.

In December, 1977, Pennsylvania State Senator Henry J. Cianfrani, Chairman of the State Senate's Appropriations Committee, pleaded guilty to 108 counts of a Federal indictment which charged him with Racketeering, Mail Fraud, and Obstruction of Justice. Cianfrani's conviction climaxed an intensive investigation conducted by the FBI which had lasted nearly two years. In entering a guilty plea, Cianfrani admitted accepting \$52,000 in bribes from parents of applicants seeking admission to State medical and veterinary schools. He has been sentenced to a five-year prison term.

The Detroit Police Department and the FBI completed the second phase of an undercover "storefront" operation in May, 1978, which had targeted organized crime in Detroit, Michigan. This investigation, which has spanned over two years, resulted in the arrest of 107 individuals for violation of local and/or Federal statutes, and the recovery of \$3,000,000 worth of stolen property, and the seizure of narcotics valued at \$4,500,000.

An extensive investigation conducted by the FBI and local authorities in several midwest states was concluded in Fiscal 1978, with the successful prosecution of a Syndicate "hit-man" and three of his associates. All four individuals were convicted in Federal court in Chicago for their involvement in a series of house burglaries and robberies. Some of the victims in these cases had been held at gunpoint and others had been beaten as their homes were ransacked.

Following an FBI investigation, the legal representative of the Southeast Florida Laborers' District Council of the Laborers' International Union of North America pleaded guilty to Federal charges of illegally influencing the operation of an employee benefit plan and embezzlement. In addition to entering a guilty plea, this lawyer agreed to resign from the bar association and to sever all ties with the union. In May, 1978, he was sentenced to a four-year Federal prison term and fined \$10,000.

An FBI investigation of the construction and operation of an upstate New York theater resulted in the Federal indictment of four Syndicate members and four of their associates in June, 1978. The indictment charged these individuals with bankruptcy fraud, securities fraud, and racketeering. Based upon information developed during the investigation, it is believed that organized crime had been

able to skim over a million dollars before the theater went bankrupt.

As the result of a labor-racketeering investigation conducted by the FBI, the Secretary-Treasurer of a New Jersey Teamsters Local Union—a Syndicate member—was convicted of Bribery in July, 1978. After receiving a four-year prison term as the result of that conviction, he was ordered to serve a life sentence for a murder conviction.

Fifty individuals, ranging from union officials to businessmen associated with the shipping industry, were indicted for violations of Federal statutes during Fiscal Year 1978 as the result of the FBI's exhaustive investigation of illegal activities involving the International Longshoremen's Association. To date, fourteen individuals have been convicted in Federal Court for their involvement in this labor-racketeering case.



Aftermath of the work of a "torch" in a Tampa, Florida, arson-for-hire investigation.

An arson ring operating in the Tampa, Florida, area, comprised of professional arsonists, suspected Syndicate members, an insurance adjustor, real estate agents, fire department personnel, and others, was successfully broken up as the result of an extensive FBI investigation. Nineteen individuals have been convicted in Federal Court for their involvement in the ring under provisions of the Organized Crime Control Act of 1970 dealing with racketeer influenced and corrupt organizations (popularly known as the "RICO" statute). In addition, property and \$350,000 in cash have been forfeited to the Government by the subjects involved.

Another significant "RICO" prosecution during Fiscal Year 1978 occurred in Cincinnati, Ohio, as the result of an investigation conducted by the FBI, the Drug Enforcement Administration (DEA) and local police. This cooperative endeavor led to the confiscation of \$2,000,000 worth of heroin, the recovery of \$100,000 in stolen property, and 39 arrests for violations of various Federal Statutes. A total of 35 individuals have been convicted for their involvement in the case, and \$64,800 in assets has been forfeited to the Government under the provisions of the "RICO" statute.

Dissemination of Criminal Intelligence Data

Appropriate local, state, or other Federal law enforcement agencies, particularly those concerned with the enforcement of gambling and narcotics laws, are regular recipients of criminal intelligence data collected and disseminated by the FBI. Information originally developed by the FBI and disseminated to other agencies contributed to more than 806 arrests on gambling and narcotics charges during Fiscal Year 1978. In addition, it led to the confiscation of narcotics valued at \$192 million and the seizure of \$1.27 million worth of cash, property, weapons, and gambling paraphernalia.

The following examples illustrate the effectiveness of the sharing of criminal intelligence data during Fiscal Year 1978:

As a result of information provided by the FBI to Cuyahoga County, Ohio, law enforcement officials, two Syndicate members were convicted in Cleveland, Ohio, in May, 1978, of a gangland-style slaying in that area in October, 1977.

During the course of an FBI investigation in Hot Springs, Arkansas, in September, 1977, information indicating that an individual in the area was involved with illicit narcotics activity was developed

and disseminated to DEA officials in Arkansas. The subsequent DEA investigation, a cooperative effort which involved the FBI and local police agencies, resulted in the seizure of eleven tons of marijuana, with a street value of some \$12,320,000, on May 26, 1978. Five persons were arrested in the case.

Information obtained by the FBI and disseminated to the Pennsylvania State Police led to a December, 1977, raid on a large-scale gambling operation at a private club in Pennsylvania. Eleven persons were arrested, and gambling paraphernalia, as well as \$15,000 in cash, was confiscated.

A joint FBI/DEA task force operation in Chicago, Illinois, obtained information in April, 1978, that led to the arrests of two individuals on narcotics charges; the seizure of 14,000 pounds of marijuana, with a street value of some \$3.5 million; and the seizure of a luxury yacht valued at approximately \$700,000.

Information developed from a joint FBI/DEA operation was responsible for the recovery of 86 tons of marijuana, with a street value of some \$96,320,000, from three ships boarded and seized by the Coast Guard on December 25, 1977. Twenty-four Colombian nationals were arrested and subsequently returned to their native land.

White-Collar Crime

White-collar crime consists of illegal acts that utilize deceit and concealment rather than the application or threat of physical force or violence to obtain money, property or services; to avoid the payment or loss of money; or to secure a business or personal advantage. White-collar criminals frequently occupy positions of responsibility in Government, business, industry, and the professions. As such, they capitalize on the trust placed in them by our citizenry; and their violation of this trust erodes public confidence in institutions and persons from whom a meticulous regard for the law is expected. White-collar criminals are also responsible for the loss of billions of dollars annually to the Nation's economy.

The FBI's jurisdiction in the area of white-collar crime encompasses such offenses as acts of extortion by public officials under color of their authority; business fraud on both the national and international levels, such "advance fee" and business franchise swindles; bank fraud and embezzlement; interstate transportation of counterfeit or stolen securities; bribery; conflict of interest; perjury; and large-scale fraud in the state and local administration of Government programs emanating from the

Department of Health, Education and Welfare, and the Department of Labor, among others.

Because of the highly sophisticated and complex nature of the schemes employed, white-collar crimes comprise one of the most difficult challenges facing law enforcement today. During Fiscal Year 1978, the FBI and the Department of Justice continued to marshal their resources and afforded white-collar crime investigations priority attention. The quality and complexity of FBI white-collar crime investigations increased substantially in Fiscal 1978, and approximately 15 percent of the FBI's Special Agent manpower was devoted to this area. Federal prosecutions arising from these investigations resulted in the convictions of 3,072 persons. In addition, a total of \$41.9 million in stolen or illegally possessed items was recovered, and a total of \$580 million worth of potential economic loss was prevented as the result of these cases.

During Fiscal Year 1978, the FBI continued to provide special training programs relating to white-collar crime, including courses in computer technology and accounting procedures, to its investigative personnel. Special Agent personnel, in turn, alerted the public to the white-collar crime threat and educated them with regard to methods of detecting and circumventing various schemes used by the white-collar criminal.

Public Corruption

It is the responsibility of the FBI to investigate charges of public corruption which involve a violation of Federal statute. Persons holding positions of responsibility and trust within the Federal, state, county or city governments who are alleged to have violated their positions of trust for personal gain may be subject to such investigation. FBI jurisdiction in these matters stems primarily from the Hobbs Act and provisions of the Organized Crime Control Act of 1970 with regard to racketeer influenced and corrupt organizations.

FBI investigations in the course of the Fiscal Year 1978 have resulted in the convictions of more than 165 public officials for their involvement in some type of public corruption prohibited by Federal Statute. These investigations, in turn, have induced a tremendous increase in the number of public corruption matters being referred to the FBI for investigation. Since these cases involve violations of the public trust, they received the highest of investigative priorities, and consequently required a vast commitment of manpower. Such a commitment is indeed justified, since it is imperative that a public

official be cleared of a charge or brought to justice as soon as possible.

The success achieved by the FBI during the fiscal year in investigations of public corruption is illustrated by the following cases:

In one instance, after a lengthy FBI investigation, three public officials were convicted of violation of the Hobbs Act. These officials had been involved in a scheme to extort kickbacks from lessors of equipment to a department of transportation at the state level.

In another instance, a loosely knit group of 36 Allegheny County, Pennsylvania, criminal justice personnel, who had abused the workings of the local court system for their personal gain, were convicted of "RICO" violations in Federal court.

Financial Crimes

Several criminal violations investigated by the FBI often involve the manipulation of large sums of cash, securities, or other instruments of value in complex and sophisticated fraud schemes. Among these "financial crimes" are violations of the Bank Fraud and Embezzlement, Mail/Wire Fraud, and Interstate Transportation of Stolen or Counterfeit Securities Statutes.

A substantial number of the "financial crimes" investigated by the FBI constitute violations of the Bank Fraud and Embezzlement Statute. Both the magnitude of losses involved in these crimes and success achieved by the FBI during Fiscal 1978 in its investigation of these offenses are illustrated by the following case:

Following the failure of a banking institution insured by the Federal Deposit Insurance Corporation, an FBI investigation established that the bank had experienced a \$25 million-\$30 million loss as the result of criminal actions on the part of certain bank officials. On the basis of that investigation, the bank's president was convicted in Federal court of Misapplication of Bank Funds and Conspiracy to Defraud the bank. He has been sentenced to serve a twelve-year prison term for his involvement in this financial crime.

The FBI also focused investigative attention upon the activities of a number of sophisticated international "con-men" during the fiscal year. In one such case, thirty-four of the FBI's field divisions participated in an extensive investigation of a complex series of "advance fee" swindles. Cooperative efforts on the part of the FBI and authorities in several foreign countries resulted in the convictions of five members of this international, multimillion-dollar

financial crime ring. Those convicted were charged with multiple violations of the Fraud by Wire and Interstate Transportation of Stolen Property Statutes.

Fraud Against the Government; Bribery

Fraud Against the Government violations often involve complex schemes to obtain Government funds earmarked for legitimate disbursement to the public through a variety of Government programs. A large segment of the FBI's investigative resources in this area of White-Collar Crime is devoted to fraud in the Medicare-Medicaid programs being administered by the Department of Health, Education, and Welfare. As the result of these frauds, the Government and ultimately the taxpayer are suffering tremendous economic losses.

Indicative of the success of FBI investigative effort in the area of fraud and bribery are the more than twenty Federal grand jury indictments which have been returned in Washington, D.C., and Baltimore, Maryland, during the fiscal year as the result of FBI investigations into the widely publicized General Services Administration scandals.

Foreign Corrupt Practices Act of 1977

The Foreign Corrupt Practices Act of 1977 amends the Securities and Exchange Act of 1934, by specifically prohibiting payments by various domestic individuals and organizations to foreign officials, political parties and candidates for political office, for the purpose of obtaining, retaining or directing business to any individual or firm. It also requires publicly held corporations to keep accurate records and establish account controls to prevent utilization of devices which have disguised corporate bribes in the past. The Securities and Exchange Commission will investigate any violations involving corporations whose stock is under its jurisdiction. The FBI will investigate violations involving all other corporations.

Copyright Matters

The legitimate recording and motion picture industries continue to report millions of dollars in losses each year to "pirates." The FBI concentrated its investigative efforts on the major manufacturers and distributors of pirated sound recordings and motion pictures, with emphasis on organized crime involvement in these lucrative activities. "Pirates"

have been successfully prosecuted during the past fiscal year as the result of investigations with regard to violations of Copyright Laws, and the Interstate Transportation of Stolen Property, Racketeer Influenced and Corrupt Organizations, and Mail Fraud Statutes.

An increase in the illegal production of video cassettes of motion pictures is anticipated in the future with the growing popularity of home video cassette recorders. In a recent case, more than 1,400 video cassettes of current motion pictures were seized from one suspected "pirate."

Foreign Counterintelligence

A series of espionage cases investigated during Fiscal Year 1978 highlight the critical need for continued vigilance against foreign intelligence activities in the United States. In January, 1978, an American employed by a Federal agency and a Vietnamese national were arrested by FBI Agents on espionage and related charges for their roles in the passing of classified State Department cables to the Socialist Republic of Vietnam. Found guilty on six separate counts of the indictment, each man was sentenced to a cumulative total of 47 years in Federal prison for his actions. Additionally, the Vietnamese Ambassador to the United Nations was named an unindicted co-conspirator and was recalled to his home country.

Two men, a West German national and an American, were sentenced in March, 1978, as the result of their arrests by the FBI in July, 1977, on dual charges. These charges—acting as agents of a foreign government and failing to file a foreign agents registration statement—resulted from an investigation of allegations that the American had furnished national defense information to the West German, and that both were agents for East Germany and the Soviet Union. The West German had attempted to obtain sensitive material and technical equipment from the United States, and he reportedly offered the American \$250,000 to take cruise missile components to a Soviet national residing in Cuba. Found guilty of conspiring to export sensitive technical equipment to the Soviets without an export license, the American has been sentenced to serve one year and one day in Federal prison. The German national was found guilty of failing to register as an agent of the Soviet Union and East Germany, and of conspiring to export technical equipment to the Soviet Union. He has been sentenced to a 24-month prison sentence.

In May, 1978, two Soviet employees of the United Nations Secretariat were arrested by the FBI for espionage. They were charged with conspiracy to transmit documents and other information relating to the national defense of the United States to the USSR. A third Soviet, an official with diplomatic status at the Soviet Mission to the United Nations, was named as an unindicted co-conspirator. He subsequently left the United States.

The growing influx of Soviet and Soviet-bloc officials into this country in recent years has added to the FBI's counterintelligence responsibilities. Between October, 1972, and September, 1978, the number of Soviet officials alone increased from 901 to 1,225. Past experience has conclusively revealed Soviet propensity to intermingle diplomatic and intelligence assignments. In addition, the large number of tourists, students, commercial and cultural delegates, and others from communist-bloc countries entering the United States each year, provide a potentially valuable manpower pool for foreign intelligence-gathering operations.

Antitrust—Civil Matters

The FBI has the responsibility for investigating allegations that antitrust laws, which pertain to the restraint of trade in interstate commerce and monopolistic business practices, have been violated. These investigations are initiated upon the request of the Department of Justice, which may take either criminal or civil action in such matters.

In addition, the FBI provides investigative and accounting support to the Department of Justice and United States Attorneys in civil matters in which the U.S. Government is a party in interest. This support is designed to insure that the Government pays only its just debts or receives full value for the funds it has expended.

A total of 107 persons were convicted in Federal court as the result of FBI investigative efforts in this area. Moreover, fines totaling \$6.8 million were levied.

Civil Rights Violations

The FBI has investigative responsibilities in matters which involve the actual or attempted abridgment of rights guaranteed to the citizens and inhabitants of the United States under the Constitution and laws of the country. Both civil and criminal matters within the scope of civil rights and other related Federal statutes are investigated in close coordina-

tion with the Civil Rights Division, U.S. Department of Justice.

One such investigation stemmed from information alleging severe and widespread deprivations of the constitutional rights of mentally retarded residents of a publicly administered children's center. An FBI investigation assisted the Department of Justice in preparing its argument before the Federal court. The court subsequently directed the public authority to make drastic changes in facility operations and patient treatment and to reduce the population of the center by transferring some patients to community treatment centers.

Personal Crimes

A number of Federal statutes which address crimes of violence against individuals fall within the investigative jurisdiction of the FBI. These crimes include kidnaping, extortion, bank robbery, and aircraft piracy, as well as a number of other violations. During Fiscal Year 1978, 1,884 individuals were convicted in Federal court on the basis of FBI investigative efforts in this area. In addition, \$4.9 million worth of stolen or illegally possessed property was recovered and \$4.2 million in potential economic loss was prevented on the basis of these investigations.

Kidnaping

Kidnaping is a crime that demands the top priority investigative efforts of the FBI and other law enforcement agencies. Because of the unpredictable nature of kidnapers and the constant threat which exists to the safety of the victim, these cases are fraught with difficulty.

The FBI's primary consideration in kidnaping investigations is always the safe return of the victim. After all efforts have been expended to insure this goal, the identification, arrest, and prosecution of persons responsible are pursued. Kidnaping cases often include a variety of offenses and, as a result, involve prosecutive interests of both local and Federal authorities. In lieu of Federal prosecution, a number of individuals are charged with violation of state and local statutes on the basis of FBI kidnaping investigations.

A noteworthy case investigated by several FBI offices in Fiscal 1978, occurred in April when a 12-year-old Independence, Virginia, girl was kidnaped from her home. Although only \$500 ransom was demanded, the victim was taken across state lines. On



Courtesy of Cincinnati Enquirer

The dramatic rescue of this Cincinnati youngster and his safe return home in the arms of an FBI Agent were the result of a kidnaping investigation conducted by the FBI during the Fiscal Year.

April 7, 1978, after extensive investigation FBI Agents arrested one individual, and rescued the victim unharmed. The kidnaper subsequently pleaded guilty to Federal kidnaping and related charges, and was sentenced to 40 years in prison.

On November 4, 1977, a trial resulting in two convictions in U.S. District Court, St. Paul, Minnesota, climaxed a five-year investigation of the widely publicized kidnaping of the wife of a prominent Minneapolis businessman from her home on July 27, 1972, by two armed, masked men. She had been found two days after her abduction, unharmed and handcuffed to a tree in a park near Duluth, Minnesota, following the payment of \$1 million in ransom by her husband. Intensive investigation by the FBI in this case had included the efforts of almost every one of its field offices in the United States. The FBI's arrests of the two men occurred on July 11,

1977, just sixteen days before the statute of limitations was to expire. At the end of Fiscal 1978, \$4,000 of the ransom has been recovered. One of the men convicted for the kidnaping was given a sentence of life imprisonment, to run consecutively with a similar sentence he was serving on state murder charges. His appeal was pending as of the end of Fiscal 1978. The other individual was also sentenced to life imprisonment on the kidnaping charge; he was free on bond pending appeal at the end of the fiscal year.

Extortion

Victims of extortion may be from all walks of life and are the recipients of messages containing demands for money or other things of value on threat of physical injury, kidnaping, or property damage.

In such instances the FBI utilizes its full resources and manpower to identify the perpetrator and prevent the carrying out of the threat.



Hijacker exits aircraft at Richmond, Virginia, after FBI Agents and Virginia State Police negotiated his surrender in April, 1978.

Photo courtesy of "Richmond Times-Dispatch" (Photographer Bob Jones, Jr.)

Skyjackings and Related Crimes

During Fiscal Year 1978, 15 individuals were responsible for the hijackings or attempted hijackings of 12 American aircraft. In four of these incidents, notes indicating that a bomb or bombs were aboard the aircraft were delivered to the captain of the aircraft; no bombs, however, were subsequently found by authorities.

A recent hijacking occurred on September 13, 1978, when four armed escapees from a Tennessee state prison facility at Olny, Tennessee, took a hostage to an airport at Dickson, Tennessee. There they released the hostage, and forced the airport manager to fly them out of the area in a small plane. The plane was found that evening near Moro, Arkansas. The airport manager had been released. The four escapees then commandeered a pickup truck and left the area with two hostages, who were also later released.

Federal warrants were issued for the escapees' arrests on the evening of September 13, 1978, for Aircraft Piracy. The following day, a Federal grand jury returned a multiple-count indictment against them for Aircraft Piracy, Kidnaping, and related offenses.

As a result of an intense manhunt, two of the convicts were taken into custody on September 14, 1978, another was apprehended on September 17, 1978, and the other was still being sought at the end of the fiscal year.

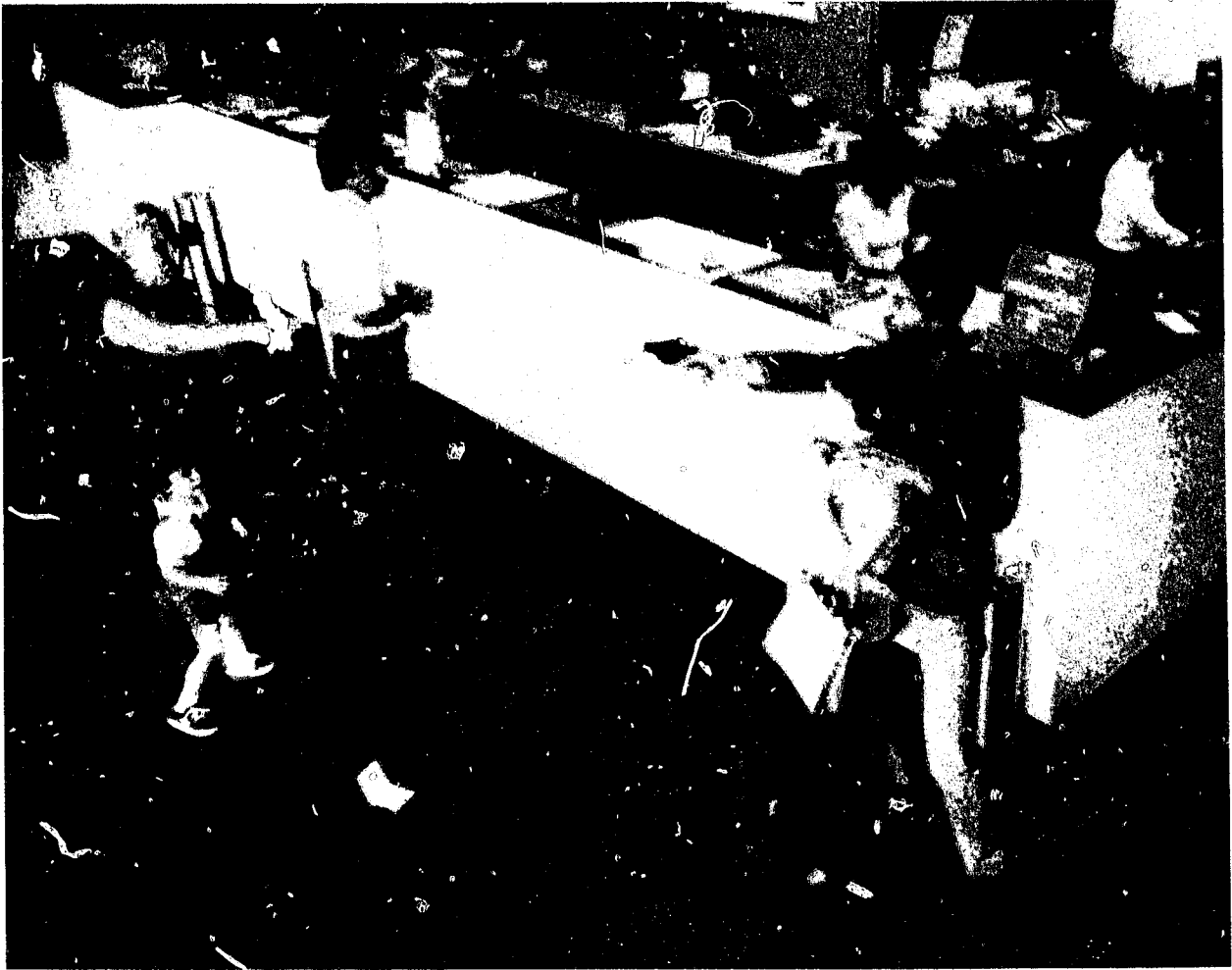
Bank Robberies, Burglaries, and Larcenies

Bank-related offenses often involve substantial monetary losses, as well as violence to bank employees, customers, and others during the commission of the crimes. Included are hostage-taking incidents, threats, and extortionate demands made against officers and employees of banking-type institutions in violation of the Hobbs Act.

A number of bank robbery violations investigated by the FBI involve criminal activity in more than one state. For example, during a two-year period, a lone white male committed eight related bank robberies in rural areas of seven midwestern and southeastern states. In each of the incidents, the robber would accost the first bank official or employee to arrive at work and, at gunpoint, force his way into the bank. Once inside, he handcuffed employees of the bank as they arrived for work and ordered them to lie on the floor. Subsequently he forced bank personnel to open the vault. Losses to the banks in this series of robberies were substantial.

In June, 1977, an individual fraudulently applied for a credit card at a bank in Arkansas using a fictitious name, and was charged in a Federal complaint with furnishing false information to a financial institution. Investigation by the FBI led to the arrest of this individual in January, 1978, in Oregon. After the individual's arrest, his true identity was determined by the FBI from his fingerprints. In addition, they revealed that he was a fugitive being sought by Arizona authorities on a state burglary charge. Shortly after he was returned to Arizona, information was developed by the FBI that he was a likely suspect in the "handcuff" robberies. A prompt comparison of his fingerprints with latent prints found in one of the robberies positively established that he was the "handcuff bandit." Thirteen FBI field offices from New York to Oregon participated in the investigation that was necessary to bring this individual to justice. On March 8, 1978, he entered a guilty plea at Phoenix, Arizona, to a bank robbery he had committed in West Plains, Missouri. He was thereafter sentenced to twenty-five years in a Federal penitentiary. As the fiscal year ended, additional charges against the "handcuff bandit" were being considered in a number of other states.

Another dramatic example is the robbery of a Richmond, Indiana, bank on February 21, 1978, by two individuals who obtained \$176,742 at gunpoint. One of the robbers was captured in a gun battle with local police officers, and \$168,150 recovered immediately after the robbery. The other bandit



Surveillance camera records hostage situation during bank robbery in Brooklyn, New York, in July, 1978.

escaped by commandeering a car occupied by a man and his two sons. He forced the man at gunpoint to drive from Indiana to Ohio. The next morning he released the two children, but continued to hold the father as hostage. Following a period of skillful negotiations, an FBI Agent and a local police officer safely overpowered the bank robber, who was taken into custody in Springfield, Ohio, on the night of February 22nd. The hostage was released unharmed. Subsequent FBI investigation determined that the robber had escaped from an Ohio penitentiary in April, 1977, and was known to have committed or was suspected of having committed 13 other bank robberies in Ohio, Pennsylvania, West Virginia, New Jersey, and Indiana. In June, 1978, the bandit was convicted on two kidnaping charges and sentenced to two life terms in prison. Federal charges for bank robbery were deferred against the other

bank robber in favor of local prosecution in Wayne County, Indiana, for the attempted murder of a police officer.

General Property Crimes

Certain Federal laws within the FBI's jurisdiction are directed at property crimes that transcend state boundaries. One such statute prohibits the interstate transportation of stolen property valued at \$5,000 or more, and another prohibits thefts from interstate shipment.

Investigations conducted this fiscal year have once again demonstrated the existence of large criminal redistribution networks for the handling of stolen goods in the United States. Often, property stolen in this country is shipped to foreign lands and exchanged for contraband—such as drugs. These il-

licit goods are then returned to the United States and sold at great profit.

In order to curtail the activities of the networks that redistribute stolen property throughout the country, the FBI targeted top thieves, fences, and a number of organized criminal groups for investigation during the fiscal year.

One such investigation led to the identification and conviction of 30 members of a Philadelphia, Pennsylvania, gang of burglars, truck hijackers, and fences who operated extensively across state lines. As a result of surveillance conducted during the investigation, a number of the gang were actually apprehended during the commission of a variety of criminal acts. In addition, at the close of the fiscal year, prosecutive action was pending against more than thirty other members of the gang.

In another instance, a two-year undercover operation funded by the Law Enforcement Assistance Administration targeted major thefts in the transportation industry in Los Angeles, California. This investigation, which was conducted jointly by the FBI and the Los Angeles County Sheriff's Office, culminated in the arrest of 256 individuals. To date, over \$35 million worth of stolen property has been recovered and a potential economic loss of \$7 million has been prevented as a result of the investigation.

At the close of the fiscal year, some 49,643 stolen luxury automobiles and 50,245 stolen trucks valued at more than \$400 million were listed in the NCIC—a nationwide computer-telecommunications system through which millions of records pertaining to stolen property, fugitives from justice, and missing persons are instantaneously made available to local, state, and Federal law enforcement authorities across the United States. In fulfilling its responsibilities under the Interstate Transportation of Stolen Motor Vehicles Statute, the FBI continued to target criminal groups specializing in automobile and heavy equipment thefts for resale purposes. More than 650 such commercial theft ring cases were under investigation at the end of the fiscal year.

A total of 1,721 individuals were convicted in Federal court of violations investigated by the FBI under the General Property Crimes Program. In addition, \$68.4 million worth of stolen or illegally possessed property was recovered, and \$48 million in potential economic loss was prevented as a result of these investigations.

Terrorism

The use of acts of terrorism by radical, revolu-

tionary and exile groups to achieve political objectives and to influence policy decisions of governments is a continuing trend. This is true not only in Europe, Latin America, and the Far East, but also in the United States. For this reason, the FBI has directed intense effort toward the prevention and detection of terrorist activities in the United States. The effectiveness of this effort in combating domestic terrorism during the past fiscal year is apparent in the following achievements:

Two individuals, who are members of a group which espouses independence for Puerto Rico, have been convicted in connection with the July 3, 1978, armed takeover of the Chilean Consulate in San Juan, Puerto Rico.

On July 12, 1978, the FBI and the New York Police Department located an apartment in Queens, New York, which the Armed Forces of Puerto Rican National Liberation (FALN) had used as a bomb factory. Numerous weapons, improvised explosive devices, and a large quantity of explosives were recovered from the apartment. Since October, 1974, the FALN has claimed responsibility for many terrorist bombings in the United States.



Weapons recovered in July, 1978, from Queens, New York, apartment used by the FALN as a bomb factory.

On July 15, 1978, the FBI arrested one individual and recovered a two-man submarine and hundreds of pounds of explosives in Miami, Florida, thus thwarting an alleged attempt to destroy Japanese and Russian fishing vessels.

The FBI's investigation of the 1976 assassination of former Chilean Ambassador to the United States Orlando Letelier culminated on August 1, 1978, in a Washington, D.C. Federal grand jury indictment of five Cuban exiles, members of the Cuban Nationalist

Movement, and three members of the now defunct Chilean Directorate of National Intelligence.

On August 17, 1978, two Croatian activists were arrested following their seventeen-hour armed takeover of the West German Consulate in Chicago, Illinois. These individuals took eight hostages during the incident and demanded that the West German Government release a Croatian imprisoned in Cologne, Germany, from custody.

Four members of the revolutionary George Jackson Brigade—a group which has claimed responsibility for, or is known to have been involved in, 15 bombing incidents, 13 bank robberies, and 2 armed robberies in the Oregon and Washington area since 1975—were arrested by the FBI and convicted for their criminal acts.

Bombings

During Fiscal Year 1978, there were more than 1,200 actual or attempted bombings in the United States resulting in numerous deaths and personal injuries, as well as property damage in excess of \$10 million.

The FBI's investigative jurisdiction in this area primarily involves bombings of U.S. Government property, bombings directed at diplomatic establishments, and those perpetrated by terrorist or revolutionary groups. Bombings by terrorist and revolutionary groups pose the greatest threat to our society and, as a result, receive priority attention from the FBI.

The FBI also maintains a Terrorist Research and Bomb Data Center which compiles and publishes information for law enforcement agencies on terrorist incidents and groups, conducts training sessions for law enforcement officers, and participates in national and international symposia on terrorism.

Fugitive Matters

A total of 11,292 FBI fugitives were arrested or located during Fiscal Year 1978. Of that number, 1,544 were wanted for violent crimes such as murder, manslaughter, rape, robbery, or aggravated assault, and for crimes which resulted in the loss or destruction of property valued in excess of \$25,000.

An extensive FBI fugitive investigation was successfully concluded in April, 1978, with the apprehension of John Errol Ferguson by Special Agents of the FBI in Miami, Florida. Ferguson had been sought by the FBI under the Fugitive Felon Act for the slaying of six men and the attempted murder of another. At the time of his arrest, Ferguson was armed with a loaded revolver which had been used

in a rape and double murder in Opa Locka, Florida.

An integral part of FBI efforts to locate fugitive felons is the "Ten Most Wanted Fugitives" program, which widely publicizes the identities of the more dangerous and elusive criminals being sought by law enforcement. More than 300 such fugitives, including seven during Fiscal Year 1978, have been apprehended after being named to the "Ten Most Wanted" list. The widespread publicity generated by the program once again proved to be of great assistance in the apprehension of a fugitive when Ten Most Wanted fugitive Enrique Estrada was arrested on December 8, 1977—three days after his name had been added to the list.

General Crimes Relating To The Federal Government

The FBI is charged with the responsibility for investigating the destruction and/or theft of Government property. In some instances, these crimes involve thefts of Government weapons and explosives, and in others, the theft of sensitive Government documents. The FBI is also responsible for conducting investigations concerning a variety of offenses which are committed in Federal penitentiaries and on Government and Indian reservations. These crimes range from acts of violence, such as assault, robbery and homicide, to acts of stealth and deception, such as larceny, burglary and fraud. During the last nine months of the fiscal year, the FBI investigated 50 homicides which had occurred on Government and Indian reservations.

During Fiscal Year 1978, a total of 1,432 persons were convicted in Federal court of violations investigated by the FBI under its General Crimes Relating to the Federal Government Program. In addition, \$1.7 million worth of stolen or illegally possessed property was recovered and \$389,133 in potential economic loss was prevented as a result of these investigations.

Applicant And Employee Investigations

The FBI conducts personnel background investigations when requested by various agencies of the Federal Government.

Included are investigations involving Presidential appointments and staff members of the Executive Office of the President, as well as staff members of several Congressional committees. During Fiscal Year 1978, a total of 774 investigative requests involving these appointments were received.

In addition, the FBI handles requests from the Department of Justice and the Administrative Office of the United States Courts with regard to background investigations involving candidates for United States Attorney, United States Marshal, the Federal Judiciary, and other top-level and legal positions in the Department of Justice. A total of 1,222 investigative requests were received in Fiscal Year 1978.

During the same period, the FBI also received 1,957 requests for background investigations involving candidates for sensitive positions in the Department of Energy, applications for executive clemency and pardon after completion of sentence, and applicants for Government employment on whom allegations of disloyalty had been developed.

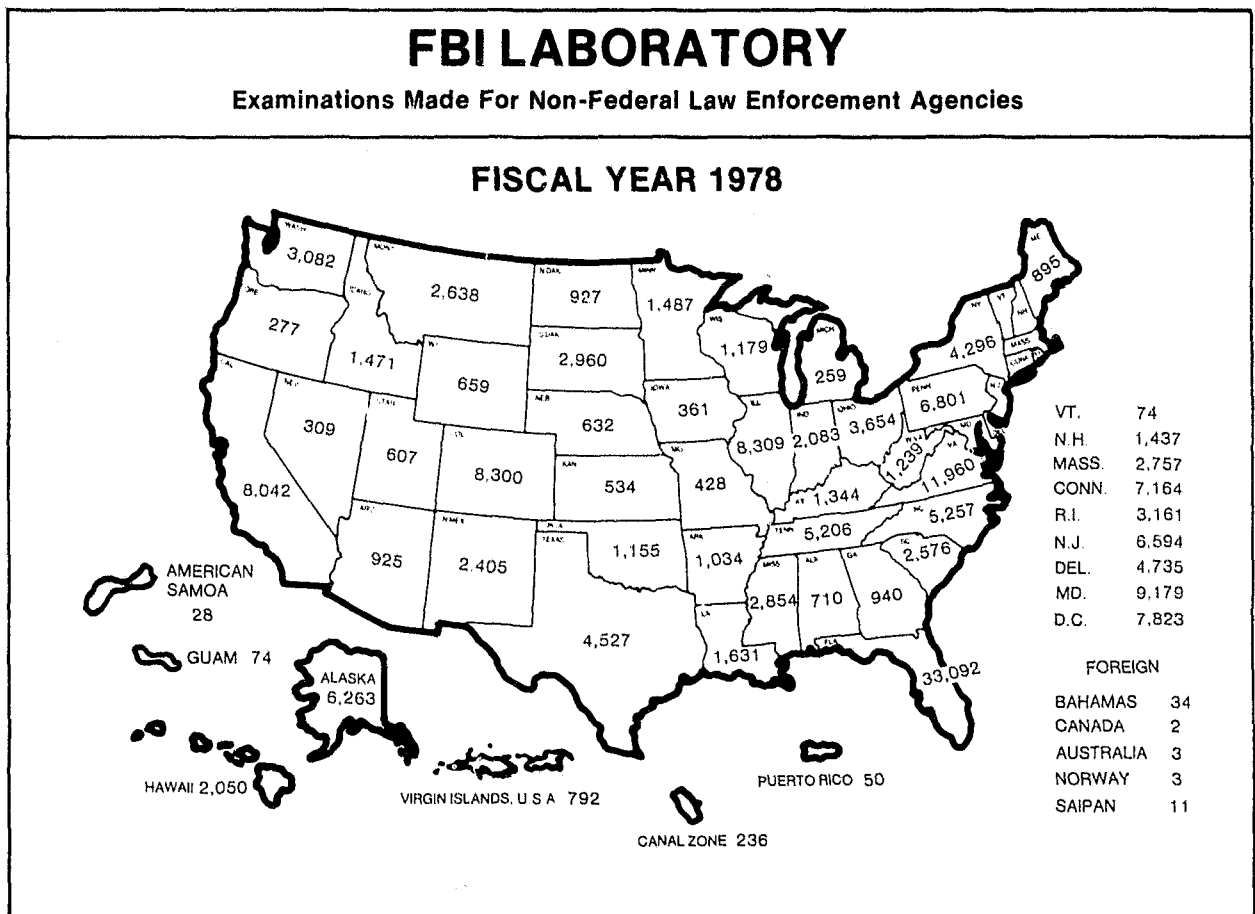
Cooperative Services

Training

The FBI's training programs are coordinated, supervised, and developed by the staff of the FBI

Academy at Quantico, Virginia. During Fiscal Year 1978, this college for law enforcement officers graduated a total of 9,067 criminal justice personnel from a variety of courses and seminars relating to the law enforcement profession. The most comprehensive of the courses offered at the Academy is that required for New Agent personnel. Some 406 newly appointed Special Agents completed this intensive fifteen-week training program and were graduated to field investigative assignments in Fiscal 1978. In addition, 240 students were involved in various phases of New Agent training at the conclusion of the fiscal year.

One hundred and fifty-two In-Service sessions and 22 Support Schools featuring advanced courses for experienced FBI employees were also held at the facility. These schools were attended by 3,841 Special Agents and 519 support personnel. Areas of instruction targeted the Bureau's investigative priorities of White-Collar Crime, Organized Crime, and Foreign Counterintelligence. Specialized management-aptitude and management-development courses formulated to identify potential FBI



executives and to enhance the management skills of those already in executive positions were also held.

In addition to the training given to its employees, the FBI makes a variety of training services available to other law enforcement and criminal justice agencies at the Academy. FBI training programs for both local and state law enforcement officers provide up-to-date information on a broad range of police-related topics. More than 3,300 officers attended 141 specialized schools dealing with such topics as Coping with Police Stress, Computer Fraud, Crisis Intervention, and Terrorism.

The FBI National Academy provides eleven weeks of advanced instruction to career members of the law enforcement profession at the Quantico, Virginia, facility. Four sessions of the National Academy, attended by 998 officers, were held in Fiscal 1978. Some of the courses completed by attendees at the National Academy are accredited by the University of Virginia at both the undergraduate and graduate levels.

Among the many conferences, symposia and seminars offered to the law enforcement community at the FBI Academy during Fiscal Year 1978 were:

- *The National Symposium on Terrorism attended by 194 representatives from law enforcement agencies in the United States and nine foreign countries.

- *The Fifth Annual Symposium on Crime Laboratory Development attended by more than 200 crime laboratory directors and managers.

- *The Workshop for the International Conference of Police Chaplains attended by 46 clerics.

- *The National Executive Institute, a program especially designed for executives of metropolitan police departments, conducted four cycles of its Third Session. All of these sessions were scheduled for weekends so that police chiefs in attendance would not be away from their communities for any sustained period of time.

- *The American Association of Police Physicians and Surgeons Seminar attended by 21 physicians.

Each of the 59 FBI Field Offices includes Special Agents specially trained as police instructors. These Agent-Instructors provided 91,399 hours of instruction in 7,251 training sessions attended by 212,223 criminal justice personnel during the 1978 Fiscal Year.

Laboratory Division

The FBI maintains the largest crime laboratory in the United States. During the Laboratory's 45-year

history, its examiners have rendered technical and scientific assistance to FBI operations, conducted examinations, and provided expert testimony in criminal matters investigated by the FBI. The Laboratory has also provided these forensic services at no cost to state, local and other Federal law enforcement agencies.

FBI forensic laboratory services are rendered by four sections—Document, Scientific Analysis, Special Projects, and Engineering. In Fiscal Year 1978, more than 483,000 examinations were conducted. Of these, 41 percent were for agencies other than the FBI. During the year, expert examiners appeared 1,093 times throughout the country for court testimony in criminal cases.

The major role which the FBI Laboratory plays in some investigations is illustrated by a case which occurred in Youngstown, Florida, in March, 1978. Extensive on-scene Laboratory metallurgical examinations were conducted to determine the cause of a train derailment which resulted in the deaths of eight persons by chlorine gas poisoning from a ruptured tank car. The FBI entered this investigation based on a preliminary finding by the National Transportation Safety Board that the derailment was caused by sabotage.



Devastating results of the March, 1978, train wreck in Youngstown, Florida, investigated by the FBI.

To help enhance the forensic science capabilities of other law enforcement agencies, the FBI Laboratory furnished scientific training and related assistance to personnel of state and local crime laboratories across the Nation. During the fiscal year, training in specialized laboratory topics was provided to more than 500 technicians of other law enforcement agencies. As part of its program to assist state and local crime laboratory development, the FBI Laboratory organized and presented graduate level, specialized courses at the FBI Academy for training FBI, state and local crime laboratory personnel in dried blood grouping procedures and forensic chromatography.

The FBI Laboratory also contributed to the development of the forensic science community in the United States through:

- *Publication of technical papers and manuals.
- *Sponsorship of the Fifth Annual National Symposium on Crime Laboratory Development, which was attended by more than 200 crime laboratory directors and managers in the United States, Puerto Rico, and Canada.
- *Publication of the "Crime Laboratory Digest," a newsletter which highlights current developments in the field of forensic science.

The Laboratory is responsible for managing the national Criminalistics Laboratory Information System. This teleprocessing operation is designed to improve the efficiency of crime laboratory functions by providing immediate access to scientific reference

information in a centralized data base to all law enforcement crime laboratories in the Nation.

An active program of research in the biological, chemical and physical sciences, directed at the development of new methods and techniques for examination of physical evidence, was pursued in the FBI Laboratory during the fiscal year. Results of this research contributed significantly to the Laboratory's capabilities and were shared with forensic scientists in other law enforcement agencies.

Ongoing areas of research include new means of individualization of evidentiary materials in criminal matters and creating new techniques in approaching forensic matters. These projects include determination of sexual origin from hairs and bloodstains, gasoline tagging, the detection and identification of explosive residues, and enhancement of photographic, motion picture, and television images.

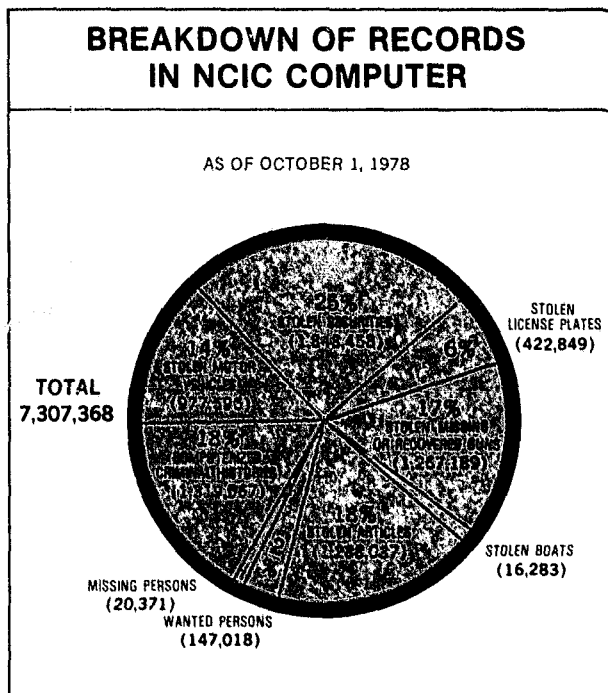
National Crime Information Center

The National Crime Information Center (NCIC) is a vital tool used by criminal justice agencies at the local, state, and Federal levels throughout the Nation in the current war on crime.

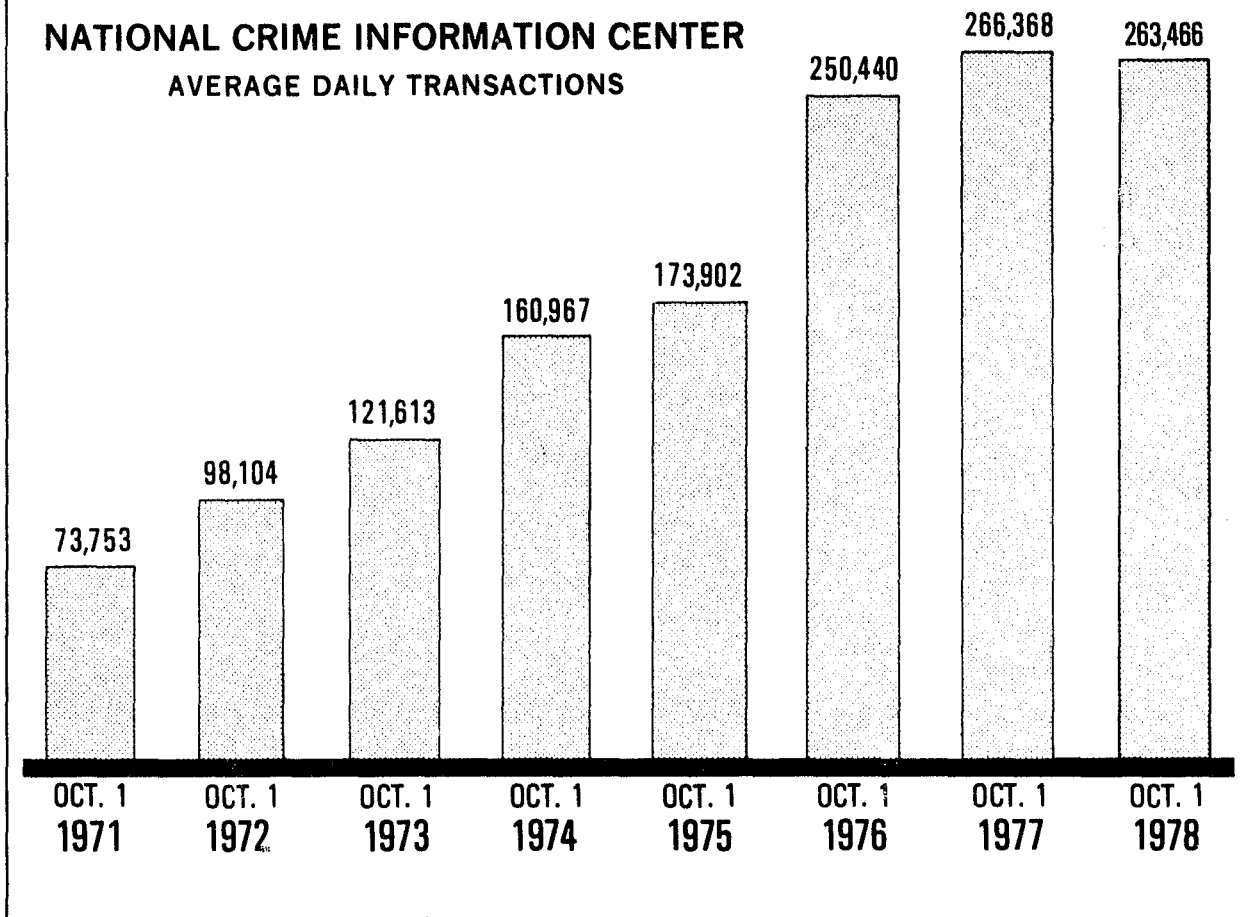
This nationwide computer/telecommunications system currently provides more than 6,000 participating agencies with instantaneous access to over 7 million records pertaining to stolen property, fugitives from justice, criminal histories on individuals arrested and fingerprinted for serious offenses, and missing persons. Today, the NCIC is used by authorities in all 50 states, the District of Columbia and Puerto Rico. It also serves Canada through the Royal Canadian Mounted Police.

On June 1, 1978, the NCIC inaugurated the Criminalistics Laboratory Information System (CLIS). This program, managed by the FBI Laboratory, provides immediate access to scientific reference information via the NCIC system. To date, 30 laboratories specializing in the scientific analysis of evidentiary material are participating in CLIS.

The FBI acts as overall manager of the NCIC on behalf of its members. Assisting the Bureau in this task is the NCIC Advisory Policy Board, comprised of 26 top-level criminal justice administrators, which makes recommendations with regard to policies, operations, and procedures of the NCIC to the Director of the FBI. A high degree of system reliability is maintained through the adherence of participating agencies to established records validation procedures, and through other internal controls built into the system. More than a quarter of a



NATIONAL CRIME INFORMATION CENTER AVERAGE DAILY TRANSACTIONS



million transactions were handled daily by the NCIC during Fiscal 1978.

Identification Division

The largest repository of fingerprints in the world is housed within the FBI's Identification Division. At the close of Fiscal Year 1978, approximately 170 million fingerprint cards were on file. The FBI received a total of 6,377,152 new fingerprint cards during Fiscal 1978, with an average daily receipt of 25,407 cards.

Fingerprint cards pertaining to arrests and related dispositional actions are processed on a priority basis. Nearly two-thirds of these cards were identified as bearing the fingerprints of persons having previous arrest records.

Fingerprints are submitted to the FBI in connection with a number of noncriminal matters. For example, the Identification Division checks pursuant to Federal laws the fingerprints of persons being considered for employment and licensing pur-

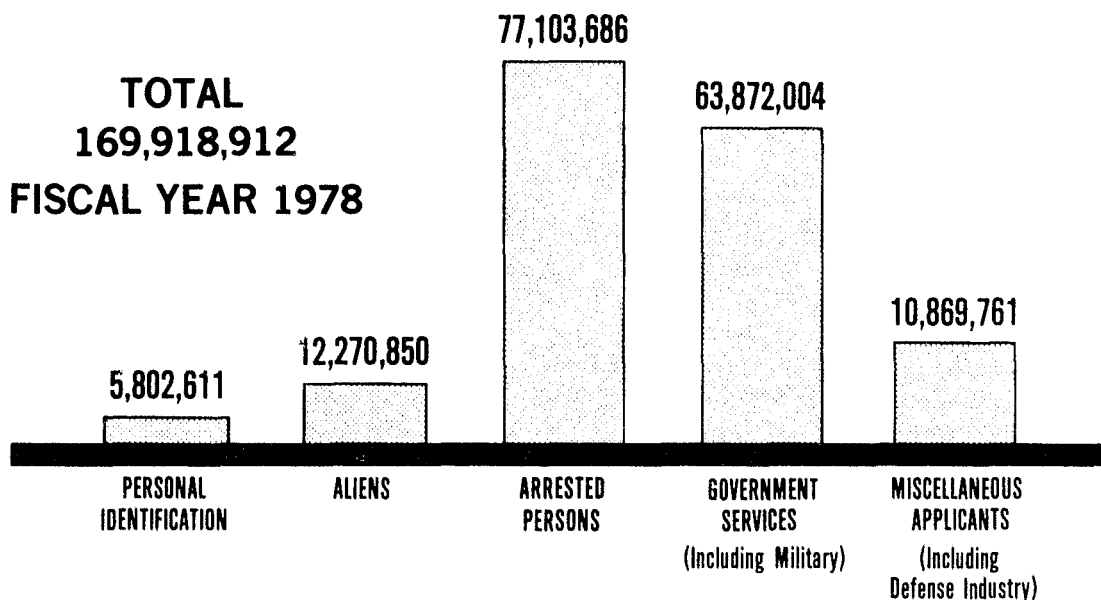
poses—such as persons to be employed in federally insured banks or in brokerage houses. Fingerprints of applicants and employees of Federal agencies, as well as those of members of the Armed Forces, are submitted to the Identification Division. Each year, many hundreds of persons voluntarily send their fingerprints to the FBI for personal identification purposes.

A total of 26,725 requests for latent fingerprint examinations were received by the Identification Division in Fiscal 1978. Some 5,047 identifications were made as a result of these examinations. FBI latent fingerprint experts were called on to testify on 452 occasions in local, state, and Federal courts, and 148 defendants in these cases entered guilty pleas immediately after the fingerprint examiner arrived in the courtroom.

Among the other services rendered by the Identification Division are:

- Posting Wanted Notices against the fingerprint records of fugitives at the request of law enforce-

TYPES OF FINGERPRINTS ON FILE



ment agencies. The FBI received fingerprint cards containing information regarding the possible location of 18,681 fugitives and the appropriate authorities were immediately notified.

—The FBI Disaster Squad was dispatched to the scenes of two airplane disasters. These fingerprint experts are specially trained to handle the identification of victims of major catastrophes. A total of 106 of 154 victims examined were identified by fingerprints.

—Posting Missing Persons Notices at the request of close relatives, as well as members of Congress and public agencies acting on behalf of the family.

—Compliance with requests from law enforcement and judicial authorities for the purging and expunction of arrest records from Identification Division files, as well as compliance with requests made by individuals, pursuant to a 1973 Order of the Attorney General of the United States, for access to their fingerprint records.

Significant progress is continuing to be made in

automating the work operations of the Identification Division. Automatic fingerprint reader equipment developed by the FBI read and computerized more than 3.6 million arrest fingerprint cards during the fiscal year. In addition, by the close of the fiscal year, the names and arrest data appearing on arrest fingerprint cards of approximately 3.4 million first-time arrestees had been computerized for future reference purposes.

On an experimental basis, the Identification Division has employed laser equipment to detect latent fingerprints which had gone undetected when processed with conventional techniques. Specimens from 580 cases were examined with the laser technique, and 24 latent fingerprints of value for identification purposes were found. This technique, as well as the Identification Division's automation efforts, holds the promise of future manpower and operating cost savings, increased processing efficiency, and expanded latent fingerprint identification capabilities in the years ahead.

Uniform Crime Reporting

The Uniform Crime Reporting (UCR) Program, administered by the FBI on behalf of the law enforcement community, is a highly visible example of cooperation and support. Through the harmonious efforts of nearly 15,000 state and local law enforcement agencies, data concerning the incidence of crime, arrests, property stolen and recovered, law enforcement strength, and other information, are collected, processed, and disseminated. Such data are of great value to the law enforcement administrator. They provide basic information which assists him in his efforts to discharge his public responsibilities effectively.

The national UCR Program receives guidance in policy matters from the International Association of Chiefs of Police Committee on Uniform Crime Records and the National Sheriffs' Association Uniform Crime Reporting Committee. Courses of instruction in UCR procedures are provided to Program participants throughout the United States based upon expressed need.

Ancillary programs include data presentations detailing information on law enforcement officers feloniously killed and bombing matters. Information regarding law enforcement officers feloniously killed is provided on a timely basis to law enforcement nationwide via the Law Enforcement Telecommunications Network. This Program has been instrumental over the years in providing valuable data which has been converted into action through modification of training programs designed for law enforcement.

Administrative and Support Services

Organization of the FBI

Operations of the FBI's 59 Field Divisions and 13 foreign liaison posts are coordinated and supervised from the headquarters of the FBI in Washington, D.C.

The FBI Field Divisions and their 477 Resident Agencies (sub-offices) are located geographically throughout the United States and Puerto Rico. This helps facilitate prompt and efficient investigative service to our Nation's citizens.

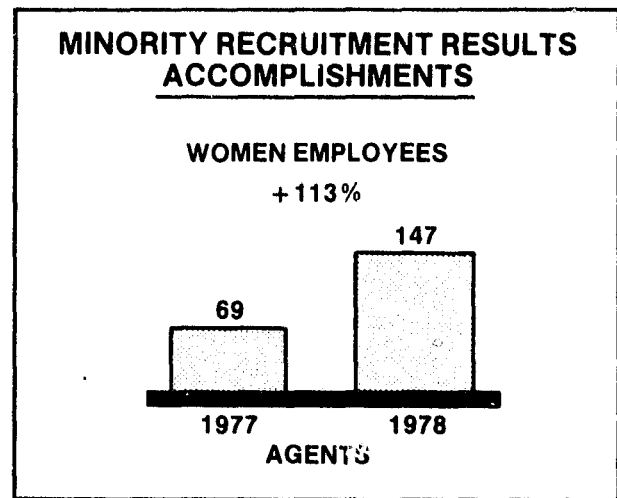
The 13 foreign liaison posts make feasible the timely exchange of information. They also provide assistance to foreign law enforcement agencies, par-

ticularly with regard to investigations which cross national boundaries. In addition, they serve as an effective adjunct to the FBI in carrying out its domestic investigative responsibilities, especially in the areas of terrorism, organized crime, and fugitive investigations.

Personnel

At the close of Fiscal 1978, there were 19,321 persons on the FBI rolls, including 7,924 Special Agents and 11,397 clerical, stenographic, and technical personnel. Some 38 percent of the Agents and 22 percent of the support personnel have been employed by the FBI for 10 years or more.

A total of some 1350 incentive awards and quality salary increases were given to employees for exceptional achievements and above-average performance during Fiscal 1978. Indicative of their interest in improving FBI operations, Bureau employees submitted 456 suggestions in that period; the estimated first-year tangible benefits from the suggestions adopted amounted to \$714,389.64, with additional intangible savings anticipated.



Office of Equal Employment Opportunity

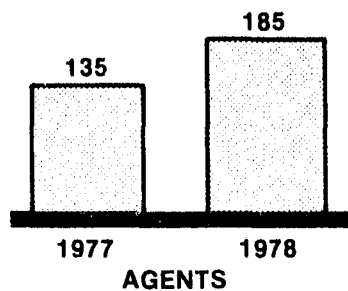
The Office of Equal Employment Opportunity has vigorously pursued an active recruitment program of minorities and women in an effort to make FBI ranks more representative of the American people. As a result, a 17-percent increase in the number of Bureau employees representing varied racial and ethnic groups has been attained as compared with the previous fiscal year.

Minority employment statistics recorded in Fiscal 1978 are indicative of the success being achieved by

MINORITY RECRUITMENT RESULTS ACCOMPLISHMENTS

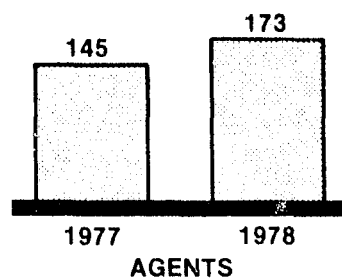
BLACK EMPLOYEES

+ 37%



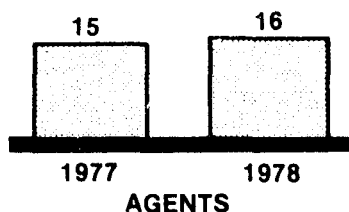
HISPANIC EMPLOYEES

+ 19%



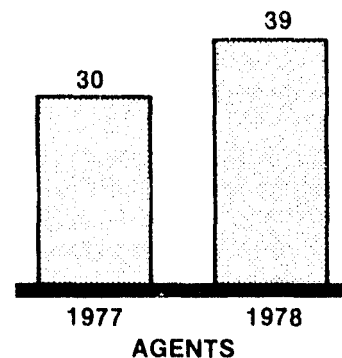
AMERICAN INDIAN EMPLOYEES

+ 7%



ASIAN AMERICAN EMPLOYEES

+ 30%



the FBI in its efforts to recruit both minorities and women into its Special Agent ranks. The 147 female Special Agents on duty at the close of the fiscal year represent a 113-percent increase in the number of female Special Agents over the prior year. In addition, the 413 minority Special Agents on duty constituted a 27.1-percent increase for the same period.

Records Management Division

The key to the information contained in the more than six million investigative and administrative files maintained at FBI Headquarters is the General Index. At the close of Fiscal Year 1978, this Index contained approximately 60,800,000 cards. During this fiscal period, more than 2,145,000 name checks were searched through the Index. More than 1,728,000 of these searches were conducted specifically for other Federal agencies.

Approximately 2,046,000 pieces of mail were received at FBI Headquarters for processing during Fiscal Year 1978, and more than 2,475,000 outgoing written communications were dispatched.

The Records Management Division is responsible for training FBI personnel in matters concerning the protection of National Security Information and Material. In this regard, 842 employees received training during Fiscal Year 1978. This Division also conducts classification reviews in connection with the release of documents in court proceedings and in response to various types of inquiries. During the year approximately 32,000 pages were reviewed per month and more than 170,000 documents were processed and released.

As a result of the increasing demands on the FBI to produce documents and information and in order to make records management operations more effi-

cient and cost-effective, steps are being taken to implement the Automated Records Management System (ARMS). ARMS will apply automation to mail processing, index searching, and file inventory and control. Alternative methods of storage and retrieval for hard-copy records are being evaluated in connection with the ARMS system.

Freedom of Information and Privacy Acts

The Freedom of Information and Privacy Acts (FOIPA) Branch of the FBI's Records Management Division received 18,703 FOIPA requests during Fiscal Year 1978 for information contained in FBI files. This was in addition to the 4,732 matters on hand at the end of Fiscal Year 1977. The FOIPA Branch handled 18,405 requests and, with other administrative closings, has reduced its current pending workload to slightly more than 4,600 matters.

The FOIPA program continues to receive a high degree of public interest, and the FBI's daily receipt of requests continues to increase. The FOIPA Branch as staffed for Fiscal Year 1977 and Fiscal Year 1978 was structured to handle an average of 62 requests per workday. During Fiscal Year 1978, new requests were received at the rate of 74.5 per workday. While still protecting sensitive national security data, the identities of confidential sources, and material that would invade the privacy of third parties or jeopardize current investigations or law enforcement techniques, increased FBI FOIPA effort enabled the disposition of 73 requests per workday during Fiscal Year 1978.

FOIPA operations at FBI Headquarters have been estimated to cost \$7,774,796 in Fiscal 1978—an average of \$422 per request. Approximately 3 million of the 4.8 million pages reviewed by FBI FOIPA personnel were released in whole or in part during the fiscal year.

Historical cases of great public interest were among the significant releases made during the year. These included investigations of the assassination of President John F. Kennedy and of Martin Luther King, Jr., the espionage activities of Julius and Ethel Rosenberg, and the Detroit riots of July, 1967.

Technical Services

The Technical Services Division provides the technical resources, equipment, and commercial services essential to the support of both FBI field investigations and Headquarters operations. In recent years, as the FBI has placed more emphasis on the investigation of organized crime, white-collar crime, and foreign counterintelligence, the demands upon

the Division to provide technical support in connection with these highly sophisticated investigations have increased.

During Fiscal Year 1978, the Data Processing Section provided computer-related assistance in 58 investigative matters. Technical experts assigned to the Engineering Section conducted 10,966 forensic examinations of electronic devices and recorded audio signals during the fiscal year. They also provided expert testimony concerning their scientific analysis of electrical equipment, including the enhancement and authentication of recording tapes.

Planning and Inspection

The Office of Inspections insures the efficient, productive and economical utilization of all FBI resources. Each FBI Field Office, Headquarters Division, and Foreign Liaison post undergoes an internal inspection at least once every two years by personnel attached to the Office of Inspections. Inspection teams, comprised of experienced mid-level executives and Agents, as well as specially trained Agent-accountants, conduct exacting probes into every phase of FBI activities. Their work provides valuable input into management's short-range planning and decision making. During Fiscal 1978, the Office of Inspections conducted a total of 82 inspections and audits of Field Offices and Headquarters Divisions.

The Office of Planning and Evaluation conducts surveys, studies and program audits to determine whether existing policies, procedures, and operations meet present and anticipated requirements of the FBI; whether they comply with required standards; and whether they are efficient, effective and economical. Twelve studies were conducted during the last fiscal year by personnel of the Office of Planning and Evaluation.

The Office of Professional Responsibility was established to bring about a greater awareness of the need for professional standards of conduct throughout the FBI and to achieve a more uniform policy in disciplinary matters. This Office supervises and investigates all allegations of serious misconduct on the part of FBI employees. In this regard, the Office maintains a close working relationship with the U.S. Department of Justice Office of Professional Responsibility.

Legal Counsel

Legal matters affecting FBI operations and programs are the province of the Legal Counsel,

who, along with his staff, furnishes legal advice to the Director and other Bureau officials, researches legal questions concerning law enforcement matters, and supervises civil litigation and various administrative claims involving the FBI and its personnel. Additionally, the Legal Counsel staff administers a comprehensive legal training program for Bureau personnel and other law enforcement officers. It also maintains liaison on Capitol Hill concerning legislative and oversight matters pertaining to the FBI, and closely analyzes proposed or enacted legislation affecting FBI operations.

Public Affairs Office

The Public Affairs Office serves as an adjunct of the Director's Office in handling news media re-

quests and related matters of a public information nature. It is this Office's responsibility to provide the American people a factual accounting of FBI programs, operations, and services on a continuing and timely basis.

Tours

A visit to FBI Headquarters continued to rank high on Washington, D.C., visitors' priority lists. During Fiscal Year 1978, 467,848 persons toured the J. Edgar Hoover F.B.I. Building viewing displays and learning about the Bureau's investigative jurisdiction, service functions, and history. Tours are offered daily between 9:00 a.m. and 4:00 p.m., except weekends and holidays.

END