

**U.S. Department
of Justice**

**Special Counsel's Office
Statement of Expenditures
April 1, 2021 through September 30, 2021**



The accompanying Statement of Expenditures summarizes the financial activity of the Special Counsel's Office (SCO) for the period April 1, 2021 through September 30, 2021. As an organization within the Department of Justice, the SCO is required to comply with the rules, regulations, procedures, practices, and policies of the Department of Justice.¹ SCO management is responsible for designing, operating, and maintaining a system of internal control to enable the SCO to accurately report its financial information to the Department and meet the requirements of applicable laws and regulations. In addition, SCO management is responsible for ensuring that controls exist to meet the requirements of DOJ Order 2030.4G, *Control of Funds under Apportionment*.

The Department recognizes the importance of maintaining adequate internal control and is committed to the continuous improvement and oversight of financial management controls. The Department has a network of internal review groups that provides assistance to components with their internal control programs. As part of the Department's annual assessment of internal control over financial reporting, the Justice Management Division, Internal Review and Evaluation Office conducted a review of SCO business processes related to budget, obligations and expenditures, and financial reporting during the assessment period of April 1, 2021 through September 30, 2021. The review identified no material weaknesses or significant deficiencies in the design or operation of SCO controls.

The Department will continue to dedicate and leverage resources to maintain strong program and financial management controls. Management takes its program and financial accountability seriously and is dedicated to ensuring that funds are used in a responsible and transparent manner.

¹ 28 CFR 600.7 – Conduct and Accountability

The Special Counsel's Office
Statement of Expenditures
For the Period April 1, 2021 through September 30, 2021

Direct and Reimbursed Expenditures (note 1)		
Personnel Compensation and Benefits (note 2)	\$	672,182
Travel and Transportation of Persons (note 3)		280,922
Rent, Communications, and Utilities		136,210
Contractual Services (note 4)		797,359
Supplies and Materials		2,986
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Total SCO Expenditures (note 5)	\$	1,889,660

Note 1 – Summary of Significant Accounting Policies

- A. Reporting entity: On October 19, 2020, John H. Durham was appointed by then Attorney General William P. Barr to serve as Special Counsel to investigate violations of the law in connection with the intelligence, counter-intelligence, or law-enforcement activities directed at the 2016 presidential campaigns. The statement presents the expenditures of the Special Counsel's Office (SCO) for the period of April 1, 2021 through September 30, 2021, including direct-funded, reimbursed, and non-reimbursed expenditures. All amounts shown refer to the aforementioned reporting period only.
- B. Funding: SCO expenditures are funded by 1) the permanent, indefinite appropriation for independent counsels (IC Appropriation) (28 U.S.C. § 591 note), which the Department of Justice (DOJ) has determined is legally available to fund this SCO investigation (see also Government Accountability Office opinion agreeing with DOJ that this appropriation was legally available to fund special counsels (B-302582, Sept. 30, 2004)); and 2) the direct appropriations of DOJ components who have incurred non-reimbursed expenditures in support of the SCO. Expenditures funded through the IC Appropriation are a combination of expenses directly incurred by the SCO and expenses incurred by other components of DOJ and reimbursed by the IC Appropriation.
- C. DOJ component expenses: Although not legally required, DOJ components that support the SCO were asked to track expenditures attributable to this investigation. The expenditures for this period totaled \$471,056.
- D. Basis of accounting: The statement has been prepared on an accrual basis of accounting, in which expenses are recorded when incurred regardless of when cash is exchanged.

Note 2 – Personnel Compensation and Benefits

- IC Appropriation: \$672,182 was expended for salaries and benefits, including:
 - \$100,823 for SCO employees
 - \$571,359 for reimbursable DOJ employees detailed to the SCO

Note 3 – Travel and Transportation of Persons

- IC Appropriation: \$280,922 was expended for travel, including:
 - \$39,863 for SCO direct-funded travel
 - \$241,059 for travel of DOJ employees detailed to the SCO
- The \$280,922 reported this period includes \$74,528 in expenses originating in the prior period. The \$74,528 is the difference between the prior period's accrual estimates and the actual costs reported this period.

Note 4 – Contractual Services

- IC Appropriation: \$797,359 was expended for contractual services:
 - \$386,702 for litigative support
 - \$410,657 for IT services.
- The \$797,359 reported this period includes \$139,624 of litigative support and \$131,179 of IT services, totaling \$270,803 in expenses originating in the prior period. The \$270,803 is the difference between the prior period's accrual estimates and the actual costs reported this period.

Note 5 – Total SCO Expenditures

- SCO expenditures represent expenditures incurred during the reporting period and standard closing adjustments.
- As stated in Note 1D, the Statement of Expenditures is prepared on an accrual basis of accounting, which uses estimates to capture costs that are not available at the time of reporting. These estimates can vary from actual expenditures. The amount reported this period includes a difference between the accrual estimates in the previous period Statement of Expenditures and the associated current expenditures (as explained in Notes 3 and 4) in the amount of \$345,331.