

AUG 25 2009



U.S. Immigration  
and Customs  
Enforcement

MEMORANDUM FOR: Assistant Director  
Special Agents in Charge  
Deputy Assistant Directors

FROM: Kumar C. Kibble (b)(6),(b)(7)(C)  
Acting Director, Office of Investigations

SUBJECT: Initiation of the ICE-led Bulk Cash Smuggling Center

On August 11, 2009, ICE officially launched the national Bulk Cash Smuggling Center (BCSC) co-located at the Law Enforcement Support Center (LESC) in Williston, Vermont. The BCSC is the latest tool designed to combat the very lifeline that fuels criminal enterprises: illicit proceeds. Federal, state and local law enforcement agencies, as well as worldwide partners, now have a single, central source for information that is mission-dedicated to support interdiction and disruption efforts aimed at the illicit movement of proceeds generated through criminal activity.

ICE combats Bulk Cash Smuggling by targeting transnational criminal organizations seeking to repatriate illicit proceeds. The full array of cash smuggling methods are targeted including commercial and private aircraft and vehicles, maritime vessels, and pedestrians crossing U.S. borders with Mexico and Canada.

The BCSC is a 24 x 7 intelligence and operations facility providing real-time tactical intelligence to Federal, state, and local officers involved in enforcement and interdiction of Bulk Cash Smuggling (BCS) and the transportation of illicit funds. This will be accomplished through the examination and exploitation of evidence obtained at our borders, during traffic interdictions, and other law enforcement encounters.

The BCSC will also support ICE Special Agents responding to domestic and international currency seizures by providing an analytical and coordination center to exploit all investigative leads on the onset of a seizure.

Background

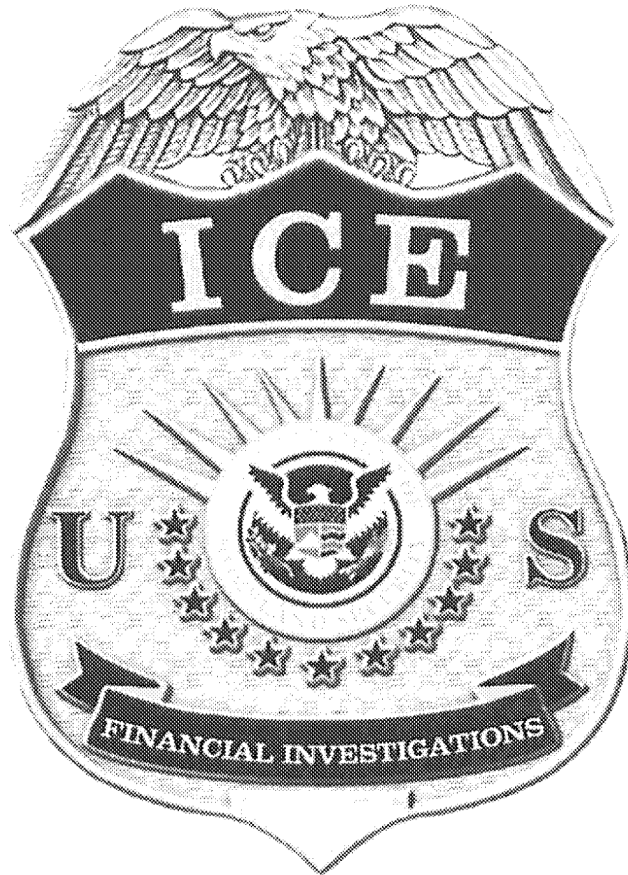
Congress criminalized the act of bulk cash smuggling as part of the USA Patriot Act on October 11, 2001. Title 31 U.S.C. 5332 — Bulk Cash Smuggling makes it a crime to smuggle or attempt to smuggle over \$10,000 in currency or monetary instruments into or out of the United States, with the specific intent to evade the U.S. currency reporting requirements codified in 31U.S.C. 5316.

The 2005 U.S. Money Laundering Threat Assessment identified BCS as the preferred method for criminal organizations involved in cross-border crimes to move their illicit proceeds. Although BCS is most often associated with narcotics proceeds, it is certainly not exclusive. BCS is also utilized by organizations associated with human smuggling and trafficking, intellectual property rights violations, and nearly every other type of transnational criminal activity.

The 2007 National Money Laundering Strategy reflects ICE's role in international money laundering investigations, especially in the areas of BCS, illegal money service businesses, and trade based money laundering.

Financial investigations, specifically BCS, remain a high priority for ICE and the Department of Homeland Security. A more comprehensive guide to the role and mission of the BCSC is attached for your convenience. Your support is appreciated and imperative to the success of the BCSC. Please direct questions to BCSC Unit Chief (b)(6),(b)(7)(C) at (802) 872-(b)(6),(b)(7)(C) or Section Chief (b)(6),(b)(7)(C) at (802)872-(b)(6),(b)(7)(C)

**U.S. Immigration and Customs Enforcement  
Office of Investigations**



**Bulk Cash Smuggling Center (BCSC)  
Concept of Operations**

**Executive Summary**

The establishment of a national Bulk Cash Smuggling Center (BCSC) will enhance U.S. Immigration and Customs Enforcement's (ICE) ability to identify, disrupt, and dismantle criminal organizations exploiting Bulk Cash Smuggling (BCS) to move their illicit funds. The BCSC will bolster ICE's enforcement efforts in regards to violations of the bulk currency statute (31 USC 5332); wherein ICE has primary jurisdiction. The BCSC will also strengthen the enforcement of 18 USC 1960 violations (Unlicensed Money Service Businesses) as well as other financial crimes investigated by ICE.

The BCSC is co-located at ICE's Law Enforcement Support Center (LESC) in Williston, Vermont. This arrangement facilitates the combined use of ICE's immigration and customs statutory authorities, financial investigative expertise and expedites the immediate sharing of critical intelligence data. The BCSC will increase law enforcement's capability to take aggressive action at the onset of an incident, which can have a significant impact on the ensuing investigation.

The BCSC will be a 24 x 7 intelligence and operations facility providing real-time tactical intelligence to federal, state, and local officers involved in enforcement and interdiction of BCS.

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The following is a BCSC Concept of Operations which outlines the procedures, policies and protocols for the center.

## Summary

BCS is one of the greatest money laundering threats facing the international law enforcement community. The U.S. Government's 2005 National Money Laundering Threat Assessment and the 2003 Report on Terrorist Financing issued by GAO identified BCS as a method utilized by terrorist, drug smuggling, human trafficking, and other criminal organizations involved in cross-border crimes to launder their illegal financial gains abroad.

The establishment of the BCSC will enhance ICE's ability to identify, disrupt, and dismantle criminal organizations exploiting BCS to move their illicit funds. The BCSC will bolster ICE's enforcement efforts in regards to violations of the bulk currency statute (31 USC 5332); wherein ICE has primary jurisdiction. The BCSC will also strengthen the enforcement of 18 USC 1960 violations (Unlicensed Money Service Businesses) as well as other financial crimes investigated by ICE.

The BCSC is co-located at the LESC in Williston, Vermont. This arrangement facilitates the combined use of ICE's immigration and customs statutory authorities, financial investigative expertise and expedites the immediate sharing of critical intelligence data. The BCSC will increase law enforcement's capability to take aggressive action at the onset of an incident, which can have a significant impact on the ensuing investigation.

The BCSC will operate as a 24 x 7 intelligence and operations facility providing real-time tactical intelligence to federal, state, and local officers involved in enforcement and interdiction of BCS. (b)(7)(E)

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Personnel assigned to the BCSC will track seizures and investigations, including those conducted by other law enforcement agencies, in order to develop a clear and comprehensive picture of the trends in BCS and other financial crimes. BCSC personnel will also coordinate BCS training activities for ICE.

## Background

As the Department of Homeland Security's (DHS) largest investigative agency, ICE seeks to identify vulnerabilities that terrorists and other criminals use to earn, move, and store illicit funds. ICE targets the *movement* of funds derived from criminal activity by identifying and investigating systems that are vulnerable to exploitation by terrorist financiers and other criminals. With the enactment of effective U.S. Anti-Money Laundering (AML) laws and the implementation of stringent AML compliance programs by traditional financial institutions, criminal organizations have been forced to shift the movement of their illicit proceeds outside of the established financial industry.

To avoid the scrutiny of law enforcement and compliance entities, criminal organizations are increasingly utilizing non-traditional methods, including the smuggling of bulk cash into, out of, and through the United States. To facilitate these smuggling schemes, criminal organizations often transport their illicit funds via the interstate transportation system enroute to destinations throughout the United States and abroad. The enactment of the USA PATRIOT ACT criminalized the international smuggling of bulk cash under 31 USC 5332. *From fiscal years 2003 through 2009 alone, ICE utilized this statute to arrest over 1,100 individuals for BCS violations resulting in the seizure of more than \$410 million.*

ICE, through legacy agencies, has over 30 years of experience in investigating cross-border financial crimes. (b)(7)(E)

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#### Goals of the BCSC

The primary goals of the BCSC are:

- **ENGAGE IN THE COLLECTION AND ANALYSIS OF FINANCIAL CRIME INTELLIGENCE, FOCUSING ON BULK CASH SEIZURES.**

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- **CONTINUOUSLY SUPPORT ICE OI SPECIAL AGENTS RESPONDING TO DOMESTIC AND INTERNATIONAL CURRENCY SEIZURES BY PROVIDING AN ANALYTICAL AND COORDINATION CENTER TO ASSIST IN THE EXPLOITATION OF ALL INVESTIGATIVE LEADS.**
- **INCORPORATE ALL SEIZURE INFORMATION, INTELLIGENCE, AND REFERRAL LEADS INTO BCSC MODULE WITHIN ICE**

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- **MANAGE AND DIRECT ALL IDENTIFIED LEADS TO FIELD OFFICES FOR INVESTIGATION IN COORDINATION WITH THE ASSISTANT DIRECTOR, OPERATIONS.**
- **INCREASE AND DEVELOP INTERNATIONAL CONTROLLED DELIVERIES FROM ALL SEIZURES PERFORMED BY STATE AND LOCAL LAW ENFORCEMENT AGENCIES**  
Investigative and targeting activities will be coordinated on national and international levels with OI and Office of International Affairs (OIA) offices respectively. Field offices will play a critical role in the coordination and deconfliction of all investigative referral and lead information. All BCSC referrals and investigative leads will be maintained in a (b)(7)(E) Portal within (b)(7)(E)
- **CONDUCT BCS THREAT ASSESSMENTS THROUGH REVIEW OF SHARED INTELLIGENCE AND COORDINATION WITH DOMESTIC AND INTERNATIONAL ICE OFFICES TO IDENTIFY SPECIFIC VULNERABILITIES.**
- **COORDINATE BCS INTELLIGENCE WITH DHS COMPONENTS AND OTHER LAW ENFORCEMENT ENTITIES TO BETTER IDENTIFY SMUGGLING ROUTES AND TRENDS IN ORDER TO INCREASE THE NUMBER OF INVESTIGATIONS THAT CAN BE GENERATED AND TO ADDRESS SYSTEM VULNERABILITIES.**
- **COORDINATE BCS TRAINING AND OPERATIONS DOMESTICALLY AND INTERNATIONALLY.**

### **Operations**

The BCSC will focus ICE's broad immigration and customs authorities by merging the existing assets of the LESC to create a national repository for BCS intelligence. The BCSC will disseminate real-time tactical intelligence and provide education, outreach and training. The BCSC will enhance ICE's ability to identify, disrupt, and dismantle organizations involved in BCS.

The BCSC will also assist in increasing the number of seizures, forfeitures, and prosecutions resulting from BCS interdictions by creating a single point of contact for queries related to BCS investigations for state and local law enforcement and ICE's partners at U.S. Customs and Border Protection (CBP). The BCSC will increase the overall cooperation of the law enforcement community in a unified effort to detect and apprehend individuals and organizations transporting currency and/or monetary instruments in support of terrorism and other criminal activities.

**Leveraging Analytical Capabilities**

Averaging over 60,000 law enforcement checks per month, the LESC serves as a national enforcement operations center by providing timely immigration status and identity information to state, local, and federal law enforcement agencies. The LESC operates 24 hours a day, 7 days a week, assisting law enforcement agencies with information gathered from [redacted] (b)(7)(E)

[redacted] (b)(7)(E)

By housing the BCSC within the LESC, ICE will be able to expand their partnership with other law enforcement agencies by obtaining and sharing information related to financial matters backed by critical intelligence data *at the onset* of an incident. Utilizing this existing infrastructure, BCSC personnel will ascertain if evidence of BCS or other financial crime exists, determine if further OI follow-up investigation is required, and assist the responding OI personnel with officer safety and other background information prior to their initial contact with the suspect. The BCSC may also develop evidence necessary to prove a suspect's intent to evade the CMIR requirements, a critical element in the BCS statute.

**Leveraging Data Sets**

In addition to the aforementioned analytical capabilities and databases, BCSC personnel will have access to other valuable data sets to include the following:

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**BCSC Protocols**

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BCSC is an operational center that will provide access to vital immigration and customs information to all law enforcement agencies at the onset of a BCS violation.

The BCSC will provide real-time operational and tactical support to federal, state, and local officers involved in BCS seizures 24 hours a day, 7 days a week. This will be accomplished with assistance from personnel already assigned to ICE's LESC. The BCSC center will allow other DHS components like CBP and other law enforcement agencies such as the Internal Revenue Service (IRS), United States Secret Service (USSS), and Drug Enforcement Administration (DEA) immediate access to immigration, customs, and financial intelligence to assist in their ongoing investigations. The BCSC will become the main point of contact for all BCS interdiction operations. An aggressive outreach program will advertise the BCSC to law enforcement agencies throughout the country and will actively promote the BCSC's operational and tactical capabilities.

Relevant leads obtained by ICE field agents, Search/Arrest/Seizure Reports (SAS), Reports of Investigation (ROI), and suspect data will be indexed into (b)(7)(E) along with the (b)(7)(E) to assist in tracking the development of investigations and seizures. In the rare instances where ICE field personnel cannot respond to the incident, BCSC personnel will obtain as much data as possible from the law enforcement officials involved, including telephone numbers, known addresses, vehicles owned or associated to the suspect, etc. The suspect information will then be placed in (b)(7)(E) in the form of an ROI, and forwarded to the appropriate ICE field office for further investigation. (b)(7)(E)

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**Agency Coordination and Deconfliction**

The BCSC will be responsible for managing and directing all identified leads to field offices for investigation. (b)(7)(E)

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**Outreach & Training**

BCSC personnel will coordinate BCS training activities and will oversee all training efforts related to ICE BCS activity. BCSC personnel will be responsible for all major national and international outreach and training events. BCSC personnel will provide training on BCS investigative best practice models to domestic and international law enforcement bodies to broaden ICE's relationships and transnational investigative efforts.

Training will focus on BCSC services, the applicable BCS laws, concealment, and other techniques utilized by criminal enterprises attempting to repatriate illicit funds abroad. Training will be provided domestically to ICE investigators, state and local law enforcement officers, Assistant U.S. Attorneys, and local prosecutors, while international training will be presented to the relevant police agencies and prosecutors charged with the enforcement of BCS in a particular country.

BCSC training goals include the following:

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**State, County, and Local Law Enforcement Participation**

Intelligence that state, county, and local law enforcement officials can provide regarding BCS operations in the United States is crucial to developing a clear and comprehensive picture of the trends in both BCS and other related financial crimes. In order to ensure maximum participation from all levels of law enforcement, BCSC personnel will implement an aggressive outreach plan aimed at educating law enforcement agencies on BCSC capabilities and encouraging them to participate in the intelligence sharing process.

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### **Outreach Timeline**

#### *Opening Ceremony –*

In coordination with the Public Affairs Office (PAO), the opening of the BCSC will be highly publicized and aggressively marketed. The primary goals of the BCSC, including the fact that the BCSC will provide 24 x 7 real-time tactical intelligence to federal, state, and local officers engaged in highway interdiction, will be a major focus in this media campaign.

*BCSC Branding* – In coordination with the PAO, a unique logo is being designed to create a unique identity for the BCSC in an effort to make it easier to attract media attention and provide easily recognizable outreach materials.

*Develop a webpage on [www.ice.gov](http://www.ice.gov)* – space will be dedicated to the BCSC on ICE's public internet website. This webpage will provide contact information for reporting information to the BCSC, will publish general announcements related to the BCSC, and will explain the mission, goals, and capabilities of the BCSC.

*Use of the Internet* – To announce the opening ceremony and list all relevant training and outreach events, BCSC staff will ensure that [www.ice.gov](http://www.ice.gov) has the latest information posted related to the center and will work with ICE HQ to create an e-mail list to advertise upcoming training and outreach events.

#### *First 45 Days of Operation -*

Conduct liaison activity with law enforcement personnel located in New England at the federal, state and local levels. New England will serve as a pilot project for the first 30 days of operation to identify any areas that may require additional resources, while adjusting data mining techniques in order to fully exploit all available information at the onset of a seizure.

*First 90 Days of Operation –*

Conduct liaison activity on a national level with law enforcement associations, to include the International Association of Chiefs of Police, the Federal Law Enforcement Officers Association, the Fraternal Order of Police, the American Association of Police and Concerned Citizens, and others. This liaison activity will ensure that law enforcement at all levels is aware of the primary goals of the BCSC and understand the services that the BCSC has to offer.

The current Cornerstone points of contact at the 26 Special Agent in Charge offices will be encouraged to reach out to established points of contact within their area of responsibility to advertise the new BCSC is operational to their law enforcement partners.

*First 6 Months of Operation –*

Create a quarterly newsletter that highlights successful interdiction events, identifies known BCS techniques, and advertises upcoming training and outreach events.

*Ongoing Outreach Efforts –*

*Participation at Expositions and Trade Shows* – Actively participate at relevant expositions, conferences, and trade shows to advertise the BCSC and ensure law enforcement at all levels actively participate and utilize the resources the BCSC has to offer.

*Publicize post-events* – Collect reports, articles, feedback and outcomes on the website and publish further articles about training, outreach, and interdiction event.

**Agency Roles and Responsibilities**

The BCSC staffing model will follow the current OI Headquarters structure and will report through the Financial, Narcotics & Public Safety Division to the Director of the Office of Investigations. Personnel for the BCSC will be assigned rotating schedules and days off to ensure proper coverage 24 hours a day, 7 days a week. The center will be staffed by agents and analysts with an expertise in financial crimes. (b)(7)(E)

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All BCSC personnel will be located on-site and will be assigned as follows:

- **1-Unit Chief - 1811 - GS-15** – The Unit Chief assigned to the BCSC will serve as the Director of the BCSC. The Director of the BCSC assumes primary responsibility for operational, programmatic, and first-line supervision of assigned

staff; program development, training, and guidance to subordinate employees with relation to HQ-established priorities and initiatives; and interagency coordination regarding concurrent mission functions to ensure effective and efficient dispatch of duties. In addition, the Director of the BCSC serves as the primary point-of-contact for all BCSC-related department level briefings, meetings, and outreach contacts; tracks and maintains analytical statistics and trends, and reports to the Deputy Assistant Director (DAD).

- **1-Section Chief - 1811 - GS-14** – The Section Chief assigned to the BCSC assumes secondary responsibility for operational, programmatic, and first-line supervision of assigned staff; program development, training, and guidance to subordinate employees with relation to HQ-established priorities and initiatives; assists the Unit Chief with responsibility for interagency coordination regarding concurrent mission functions to ensure effective and efficient dispatch of duties; serves as the secondary BCSC point-of-contact for all department level briefings, meetings, and outreach contacts; tracks and maintains analytical statistics and trends and disseminates as required.
- **3-National Program Managers (PM) - 1811 - GS-14** – Each PM is responsible for BCSC programmatic oversight in addition to establishment of operational protocols regarding the intake, exploitation, and dissemination of BCS and other financial intelligence; assists in the development and maintenance of BCSC operations; provides operational direction and program improvement recommendations to field; actively oversees and ensures proper case development, and refers issues and concerns to the Section Chief and/or Unit Chief for corrective action.
- **1-Criminal Research Officer (CRO) - 1801 - GS-14** – The CRO assumes primary responsibility for conducting threat assessments; developing data sets for target exploitation; shared intelligence coordination; assists in providing experience and guidance to Criminal Research Specialists; oversees all BCSC program functions to include lead intake, data-mining, link analysis, development, vetting, and dissemination; maintains monthly, quarterly, and yearly reports on all statistical data and provide requested reports; exhibits operational knowledge of specialized computer software, Internet, databases, and other Information Technology assets in support of the program; provides analysis of BCSC functions and makes recommendations for modification of operational functions to increase efficiency; and performs other duties as assigned.
- **4-Criminal Research Specialists (CRS) - 1801 - GS-13** – Each CRS is responsible for all BCSC program functions to include lead intake, data-mining, link analysis, development, vetting, and dissemination; maintains monthly, quarterly, and yearly reports on all statistical data and provide requested reports; exhibits operational knowledge of specialized computer software, Internet, databases, and other Information Technology assets in support of the program; provides analysis of BCSC functions and makes recommendations for

modification of operational functions to increase efficiency; and performs other duties as assigned.

- **1-Mission Support Specialist (MSS) - 301 - GS-13** - Is responsible for providing logistical, computer, outreach, budget, and other support for the BCSC; assists in the preparation of training materials, conference and meeting bookings, associated travel; and performs other duties as assigned.

\*Additional BCSC positions will be considered and contingent upon funding.

### **Efforts to recruit Special Agents for the BCSC**

The Financial Programs/Cornerstone Unit (FPCU) has developed an aggressive plan to attract and recruit high-caliber applicants with the necessary skill-sets and experience.

This plan consists of:

*Advertisement of BCSC positions in: (b)(7)(E)*

A Bulletin Board message will be posted in (b)(7)(E) to advertise all available positions at the BCSC. This message will briefly describe the BCSC concept of operations; identify the vacancies; and lay out the necessary skill-sets required to be considered for staffing.

*Advertise BCSC vacancies through field Cornerstone Liaisons -*

The FPCU will engage in a comprehensive effort to ensure all ICE Agents with the necessary skill-sets are aware of BCSC vacancies and are given an opportunity to apply for these positions. The FPCU will notify the field Cornerstone Liaisons of BCSC opportunities. With over 100 field Cornerstone Liaisons, this outreach effort will reach agents and analysts with strong financial backgrounds who could best serve the interests of the BCSC.

*Leverage the Ombudsperson weekly message to advertise BCSC opportunities -*

The Financial, Narcotics and Public Safety Division will utilize the Ombudsperson weekly message to the field to advertise BCSC opportunities. In addition, the Ombudsperson weekly message can serve to educate the field on the establishment and services of the BCSC.

*Select qualified candidates from the most recent GS 14 promotion announcement -*

*Utilize the results from the most recent GS 14 announcement to select individuals on the alternate staffing list -*



### **Partner Agency Participation**

ICE will invite other federal partners to actively participate in BCSC operations. Included in this invitation will be a request for CBP, Transportation and Security Administration (TSA) and United States Coast Guard (USCG) to consider providing full-time staff to aid in the collection and analysis of BCS intelligence.

### **International Representation**

While international law enforcement representation at the BCSC is not anticipated at this time, OIA will coordinate ICE leads and investigative referrals with international law enforcement counterparts and coordinate ICE interests on joint international investigations and initiatives. OIA will coordinate BCSC enforcement initiatives and foreign law enforcement joint efforts through the offices of the ICE Attachés. OIA will facilitate case development, information exchange, travel logistics, and assist OI in expanding BCS operations to new foreign locations.