

STATUTORY REPORT

**DISTRICT ATTORNEY  
DISTRICT 16  
PROPERTY FORFEITURE FUND**

For the year ended June 30, 2009



*Independently serving the citizens of  
Oklahoma by promoting the  
accountability and fiscal integrity of  
governmental funds.*



Oklahoma State  
Auditor & Inspector  
Gary A. Jones, CPA, CFE

**JEFF SMITH, DISTRICT ATTORNEY  
DISTRICT 16  
STATUTORY REPORT  
PROPERTY FORFEITURE FUND  
FOR THE YEAR ENDED  
JUNE 30, 2009**

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This publication, issued by the Oklahoma State Auditor and Inspector's Office as authorized by 74 O.S. § 212.E and 63 O.S. § 2-506, has not been printed, but is available on the agency's website ([www.sai.ok.gov](http://www.sai.ok.gov)) and in the Oklahoma Department of Libraries Publications Clearinghouse Digital Collection, pursuant to 74 O.S. § 3105.B.



# Oklahoma State Auditor & Inspector

2300 N. Lincoln Blvd. • State Capitol, Room 100 • Oklahoma City, OK 73105 • Phone: 405.521.3495 • Fax: 405.521.3426

June 21, 2011

Jeff Smith, District Attorney  
District 16  
LeFlore County Courthouse  
Poteau, Oklahoma 74953

Transmitted herewith is the statutory report for the District Attorney of District 16, LeFlore and Latimer Counties, Oklahoma for the fiscal year ended June 30, 2009. A report of this type is critical in nature; however, we do not intend to imply that there were not commendable features in the present accounting and operating procedures of the District.

We wish to take this opportunity to express our appreciation for the assistance and cooperation extended to our office during the conduct of our procedures.

The Office of the State Auditor and Inspector is committed to serve the public interest by providing independent oversight and to issue reports that serve as a management tool to the State to ensure a government which is accountable to the people of the State of Oklahoma.

Sincerely,

A handwritten signature in blue ink that reads "Gary A. Jones".

GARY A. JONES, CPA, CFE  
OKLAHOMA STATE AUDITOR & INSPECTOR

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## **INTRODUCTORY INFORMATION**

Most district attorneys in the state have a Property Forfeiture Fund. The fund is not subject to fiscal year limitations and is to be used for enforcement of controlled dangerous substances laws, drug abuse prevention and education, and is maintained by the District Attorney to be used at his or her discretion for those purposes. The revenues for said fund come from the proceeds of forfeited assets.

Any cash, vehicles, real property, or other assets used in the commission of or acquired as a result of a crime as described in the Uniform Controlled Dangerous Substances Act is presumed to be forfeitable.

Asset forfeiture is an effective law enforcement tool used by local district attorneys to deprive criminals of their ill-gotten gains by seizing the proceeds of criminal activity and property used to facilitate crime. The proceeds of seized, forfeited assets make a substantial contribution to the investigation and prosecution of drug related offenses.



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## Statutory Report

Jeff Smith, District Attorney  
District 16  
LeFlore County Courthouse  
Poteau, Oklahoma 74953

For the purpose of complying with 74 O.S. § 212.E and 63 O.S. § 2-506, we have performed the following procedures as they relate to the records of the Property Forfeiture Fund for the fiscal year 2009:

- Examine a group of receipts and deposit slips for propriety.
- Review sale documentation for selected cases to determine whether forfeited assets were sold after due notice at public auction to the highest bidder in accordance with 63 O.S. §2-508.C.3.
- Review the distribution of proceeds of the sale for selected cases to determine the distribution was in accordance with Court order pursuant to 63 O.S. §2-506.K.
- Determine whether expenditures tested were supported by approved claims, invoices, and independent verification that goods or services paid for were received.
- Determine whether the District Attorney prepared and submitted an annual report to the Board of County Commissioners showing the total deposits, total expenditures, beginning and ending balances in accordance with 63 O.S. §2-506.L.3.
- Determine whether expenditures were properly classified and whether the District Attorney reconciles the balance with the County Treasurer monthly.

Our engagement was limited to the procedures performed above and was less in scope than an audit performed in accordance with accounting standards generally accepted in the United States of America. Accordingly, we do not express an opinion on any general-purpose financial statements of LeFlore or Latimer County.

Based on our procedures performed, with respect to the items tested, District 16 was properly receipting and depositing the proceeds of forfeitures; forfeited assets were sold after proper notice at public auction to the highest bidder; the proceeds of forfeitures were distributed as directed by Court orders; expenditures were supported by approved claims, invoices, and independent verification that goods or services paid for were received; the District Attorney prepared and submitted an annual report to the Board of County Commissioners; expenditures were properly classified; and the District Attorney reconciles the balance of the Property Forfeiture Fund with the County Treasurer's records monthly.

We have included in this report a copy of the Drug Asset Forfeiture Annual Report prepared by District 16, which was submitted to the District Attorneys Council.

This report is intended for the information and use of the District Attorney and LeFlore and Latimer officials. However, this report is a matter of public record and its distribution is not limited.

Sincerely,

A handwritten signature in blue ink that reads "Gary A. Jones". The signature is fluid and cursive, with a long horizontal stroke at the end.

GARY A. JONES, CPA, CFE  
OKLAHOMA STATE AUDITOR & INSPECTOR

January 5, 2011

# FY09 DRUG ASSET FORFEITURE ANNUAL REPORT

July 1, 2008 – June 30, 2009

District 16

BEGINNING CASH BALANCE ON JULY 1, 2008 \$ 108,727.59

## INCOME

Cash Forfeited	<u>\$29,293.28</u>	
Court Ordered Assessments	<u>\$16,499.92</u>	
Value Non-Cash Assets Forfeited and Sold	<u>\$33,960.67</u>	
Other (please expl Reimburse from Suddenlink closed DTF Office)	<u>\$23.43</u>	
<b>TOTAL INCOME (before distributions)</b>		<u>\$ 79,777.30</u>

## DISTRIBUTION TO OTHER AGENCIES

Cash Returned to Other Agencies	<u>\$46,000.00</u>	
Equipment Purchased for Other Agencies	<u>\$3,204.47</u>	
Other (please explain)	<u>                    </u>	
<b>TOTAL DISTRIBUTIONS</b>		<u>\$ 49,204.47</u>

## EXPENDITURES BY DISTRICT ATTORNEY

Personnel and Benefits	<u>                    </u>	
Confidential Informants	<u>\$12,965.00</u>	
Cost of Prosecution/Investigation	<u>                    </u>	
Education/Prevention	<u>\$2,800.00</u>	
Equipment	<u>\$4,046.32</u>	
Operating Expense	<u>\$24,500.77</u>	
Rent	<u>                    </u>	
Storage & Towing	<u>                    </u>	
Travel	<u>\$2,463.00</u>	
Other	<u>                    </u>	
<b>TOTAL EXPENDITURES</b>		<u>\$ 46,775.09</u>

ENDING CASH BALANCE ON JUNE 30, 2009 \$ 92,525.33

(July 1 Balance + Income - Distributions - Expenditures = June 30 Balance)

Prepared by: Rae Nita Fowler

Date: 7/8/2009

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