

**THOMAS GIULIOLI, DISTRICT ATTORNEY
DISTRICT 25
STATUTORY REPORT
PROPERTY FORFEITURE FUND
FOR THE YEAR ENDED
JUNE 30, 2003**

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STATE OF OKLAHOMA
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN
State Auditor and Inspector

February 17, 2005

Thomas Giulioli, District Attorney
District 25

Transmitted herewith is the statutory report for the District Attorney of District 25, Okmulgee County and McIntosh County, Oklahoma (the District), for the fiscal year ended June 30, 2003. 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 cursive script that reads "Jeff A. McMahan".

JEFF A. McMAHAN
State Auditor and 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.



STATE OF OKLAHOMA
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN
State Auditor and Inspector

Statutory Report

Mr. Thomas Giulioli
District Attorney, District 25
Okmulgee County Courthouse
Okmulgee, Oklahoma 74447

For the purpose of complying with 74 O.S. §212 (E) and 63 O.S. §2-506, we have performed each of the following procedures as it relates to the records of the Property Forfeiture Fund for the fiscal year 2003:

- We examined a group of receipts and deposit slips for propriety.
- We reviewed 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.
- For selected cases, the distribution of proceeds of the sale was reviewed to determine the distribution was in accordance with Court order pursuant to 63 O.S. §2-506.K.
- We determined whether expenditures tested were used for enforcement of controlled dangerous substance laws, drug abuse prevention and education in accordance with 63 O.S. §2-506.L.3.
- We determined whether expenditures tested were supported by approved claims, invoices, and independent verification that goods or services paid for were received in accordance with 63 O.S. §2-508.C.3.
- We determined 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.
- We determined whether expenditures were properly classified and whether the District Attorney reconciles the balance with the County Treasurer monthly in accordance with 63 O.S. §2-508.C.3.

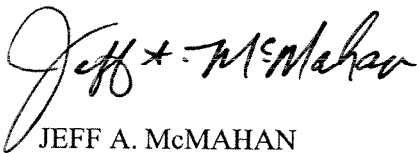
Our engagement was limited to the procedures performed above and was less in scope than an audit performed in accordance with accounting standards generally accepted in the United States of America. Accordingly, we do not express an opinion on any general-purpose financial statements of Okmulgee County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

Based on our procedures performed, District 25 is 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 made for lawful uses; 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 are properly classified and the District Attorney reconciles the balance of the Property Forfeiture Fund with the County Treasurer's records monthly.

We have prepared a detailed analysis of the Property Forfeiture Fund, which is presented following this report.

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

Sincerely,

A handwritten signature in cursive script that reads "Jeff A. McMAHAN". The signature is written in black ink and is positioned above the printed name.

JEFF A. McMAHAN
State Auditor and Inspector

September 22, 2004

PROPERTY FORFEITURE FUND ANALYSIS

BEGINNING CASH BALANCE ON JULY 1, 2002 \$ 355,672

INCOME

Cash forfeited	166,263	
Court ordered assessments	120	
Other income (donation, interest)	<u>4,325</u>	
TOTAL INCOME (before distributions)	<u>170,708</u>	<u>170,708</u>

DISTRIBUTION TO OTHER AGENCIES

Cash returned to other agencies	89,374	
Equipment purchased for other agencies	<u>735</u>	
TOTAL DISTRIBUTIONS	<u>90,109</u>	<u>90,109</u>

EXPENDITURES BY DISTRICT ATTORNEY

Personnel and benefits	99,452	
Equipment	52,781	
Operating expense	12,649	
Cost of prosecution investigation	699	
Rent	500	
Grant cash match	<u>40,857</u>	
TOTAL EXPENDITURES	<u>206,938</u>	<u>206,938</u>

ENDING CASH BALANCE ON JUNE 30, 2003 \$ 229,333