

**C. WESLEY LANE, II  
DISTRICT ATTORNEY, DISTRICT 7  
STATUTORY REPORT  
PROPERTY FORFEITURE FUND  
FOR THE YEAR ENDED  
JUNE 30, 2004**

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STATE OF OKLAHOMA  
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN  
State Auditor and Inspector

May 16, 2005

C. Wesley Lane II  
District Attorney, District 7  
Oklahoma County Courthouse  
Oklahoma City, Oklahoma 73102

Transmitted herewith is the statutory report for the District Attorney of District 7, Oklahoma County, Oklahoma (the District), for the fiscal year ended June 30, 2004.

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,

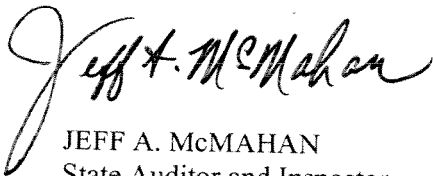
  
JEFF A. McMAHAN  
State Auditor and Inspector

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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 substance 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**

C. Wesley Lane, II  
District Attorney, District 7  
Oklahoma County Courthouse  
Oklahoma City, Oklahoma 73102

For the purpose of complying with 74 O.S. §212 (E) and 63 O.S. §2-506, we have performed the following procedures as it relates to the records of the Property Forfeiture Fund for the fiscal year 2004.

- 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 accountability relative to the expenditures of the fund as required by 63 O.S. §2-508.C.3 is practiced with respect to approvals, invoices, and independent verification that goods or services paid for were received.
- 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 accountability relative to the expenditures of the fund as required by 63 O.S. §2-508.C.3 is practiced with respect to proper classification and whether the District Attorney reconciles the balance with the County Treasurer monthly in accordance with 63 O.S. §2-508.C.3.

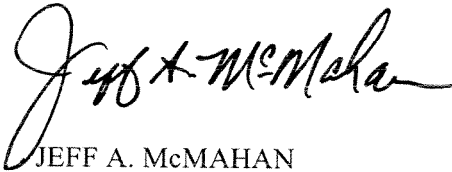
Our engagement was limited to the procedures performed above and was less in scope than an audit performed in accordance with accounting standards generally accepted in the United States of America. Accordingly, we do not express an opinion on any financial statements of Oklahoma County.

Based on our procedures performed, District 7 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 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.

A detailed analysis of the Property Forfeiture Fund is also attached.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff A. McMahon". The signature is written in a cursive, flowing style.

JEFF A. McMAHAN  
State Auditor and Inspector

May 2, 2005

**C. WESLEY LANE, II, DISTRICT ATTORNEY  
DISTRICT 7  
STATUTORY REPORT  
JUNE 30, 2004**

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**PROPERTY FORFEITURE FUND ANALYSIS**

Beginning Cash Balance on July 1, 2003 \$ 45,037

**INCOME**

Cash Forfeited	1,007,677	
Court Ordered Assessments	1,733,360	
Value Non-Cash Assets Forfeited and Sold	130,544	
Other Income (reimbursements, etc.)	<u>20,706</u>	
Total Income (before distributions)		<u>2,892,287</u>

**DISTRIBUTION TO OTHER AGENCIES**

Cash Returned to Other Agencies	677,641	
Equipment Purchased for Other Agencies	-	
Task Force Match	<u>-</u>	
Total Distributions		<u>677,641</u>

**EXPENDITURES BY DISTRICT ATTORNEY**

Personnel and Benefits	1,084,594	
Transfer Shared Funds to other Account	500,000	
Deposit to Misc-DAC	410,000	
Operating Expense	38,974	
Cost of Prosecution/Investigation	31,989	
Rent and Utilities	30,450	
Grant Cash Match	15,467	
Equipment	10,646	
Miscellaneous	4,508	
Travel	4,338	
Audit	3,819	
Storage and Towing	<u>2,649</u>	
Total Expenditures		<u>2,137,434</u>
Ending Cash Balance on June 30, 2004		<u><u>\$ 122,249</u></u>