

**JOHN WAMPLER  
DISTRICT ATTORNEY, DISTRICT 3  
STATUTORY REPORT  
PROPERTY FORFEITURE  
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

January 21, 2004

John Wampler, District Attorney  
District 3

Transmitted herewith is the statutory report for the District Attorney of District 3, Jackson, Tillman, Kiowa, Harmon, and Greer Counties, 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**

John Wampler  
District Attorney, District 3  
315 S.W. 5<sup>th</sup> Street, Rm 502  
Lawton, Oklahoma 73501

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 2003:

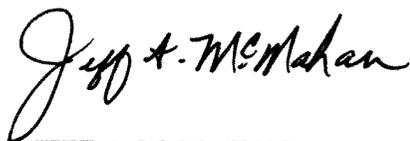
- We examined a group of receipts and deposit slips for propriety.
- We reviewed sale documentation for selected cases to determine whether forfeited assets were sold after due notice at public auction to the highest bidder in accordance with Title 63 O.S. §2-508.C.3.
- For selected cases, the distribution of proceeds of the sale was reviewed to determine the distribution was in accordance with Court order pursuant to Title 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 Title 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 Title 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 Title 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 Title 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 Jackson, Tillman, Kiowa, Harmon, or Greer Counties.

Based on our procedures performed, District 3 is properly receipting and depositing the proceeds of forfeitures; forfeited assets were sold after proper notice at public auction to the highest bidder; 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 reconciled the balance of the Property Forfeiture Fund with the County Treasurer's records monthly. The finding related to the distribution of the proceeds of forfeitures as directed by a court order, is included in the accompanying Schedule of Findings and Recommendations.

This report is intended for the information and use of the District Attorney and Jackson, Tillman, Kiowa, Harmon, or Greer County officials. However, this report is a matter of public record and its distribution is not limited.

Sincerely,

A handwritten signature in black ink that reads "Jeff A. McMahan". The signature is written in a cursive style with a large initial "J".

JEFF A. McMAHAN  
State Auditor and Inspector

November 10, 2003

**SCHEDULE OF FINDINGS AND RECOMMENDATIONS**

Reportable 20 – Property Forfeiture Seizures

Criteria: Title 63 O.S. 2001, § 2-506K states, “Property taken or detained under this section shall not be replevable, but shall be deemed to be in the custody of the office of the district attorney of the county wherein the property was seized, subject only to the orders and decrees of the court or the official having jurisdiction thereof; said official shall maintain a true and accurate inventory and record of all such property seized under the provisions of this section.”

Condition: While testing property forfeiture cases to determine court ordered forfeiture of seized property was established and fulfilled, it was noted:

In case number CV-2002-475, there was \$1,300.92 seized in relation to a violation of the Oklahoma Uniformed Controlled and Dangerous Substance Act. The Jackson County Sheriff’s Department held the “cash”. When the court ordered the “cash” forfeited and transferred to the District Attorney’s Revolving Drug Fund, the money could not be located.

Recommendation: We recommend the District Attorney implement policies and procedures to comply with Title 63 O.S. 2001, § 2-506.K. In addition, we recommend the District Attorney and County Sheriff implement policies and procedures to safeguard seized property from loss or damage.

DRUG ASSET FORFEITURE ANNUAL REPORT  
PROPERTY FORFEITURE ACCOUNT ANALYSIS

|  |                                   |                          |
|--|-----------------------------------|--------------------------|
| Beginning Cash Balance on July 1         |                                   | <u>\$ 154,435</u>        |
|  | INCOME                            |                          |
| Cash Forfeited                           | 16,858                            |                          |
| Court Ordered Assessments                | 4,194                             |                          |
| Value Non-Cash Assets Forfeited and Sold | 636                               |                          |
| Other                                    | <u>29,930</u>                     |                          |
| Total Income (before distributions)      |                                   | <u>51,618</u>            |
|  | DISTRIBUTION TO OTHER AGENCIES    |                          |
| Cash Returned to Other Agencies          | -                                 |                          |
| Equipment Purchased for Other Agencies   | <u>-</u>                          |                          |
| Total Distributions                      |                                   | <u>-</u>                 |
|  | EXPENDITURES BY DISTRICT ATTORNEY |                          |
| Personnel and Benefits                   | 40,056                            |                          |
| Confidential Informants                  | 3,000                             |                          |
| Cost of Prosecution/Investigation        |                                   |                          |
| Education/Prevention                     |                                   |                          |
| Equipment                                | 9,690                             |                          |
| Operating Expense                        | 3,715                             |                          |
| Rent                                     | 700                               |                          |
| Storage and Towing                       |                                   |                          |
| Travel                                   |                                   |                          |
| Other                                    | <u>10,740</u>                     |                          |
| Total Expenditures                       |                                   | <u>67,901</u>            |
| Ending Cash Balance on June 30           |                                   | <u><u>\$ 138,152</u></u> |

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FIRST ASSISTANT:  
JAN WARREN

ASSISTANTS:  
MATHEW SALTER  
REBECCA BEASON

**JOHN M. WAMPLER**  
DISTRICT ATTORNEY  
THIRD JUDICIAL DISTRICT

January 14, 2004

Honorable Jeff McMahan  
State Auditor & Inspector  
1401 Lera, Suite 9  
Weatherford, OK 73096  
Attn: Sherri Merle

RE: Audit of Property Forfeiture fund  
06/30/2003

Dear Mr. McMahan:

I am in receipt of your letter dated December 1, 2003, pertaining to the audit described above. As to reportable condition "20-Property Forfeiture Seizures", please be advised that we now have in place a policy not to accept a forfeiture case for filing, involving cash, until the cash is turned over to our office. Only then will we file the forfeiture action.

As to the particular case referenced in your report, our office never had possession of the cash and I initiated an investigation by my criminal investigator, Larry Burrows, into the disappearance of the seized cash. We were unable to determine who may have taken the funds and therefore are unable to charge anyone or to seek restitution from anyone. The Sheriff's Department cooperated fully with the investigation and now has in place a procedure for handling seized monies and prisoner's monies that should avoid a repeat of this situation.

If you need any additional information, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "John M. Wampler", written over a circular stamp or mark.

John M. Wampler  
District Attorney

JMW/md