



COMMISSIONERS COURT
COMMUNICATION

REFERENCE NUMBER CO#117053

PAGE 1 OF 11

DATE: 2/11/2014

SUBJECT: **RECEIVE AND FILE THE AUDITOR'S REPORT OF THE REVIEW OF THE FISCAL YEAR 2013 CHAPTER 59 ASSET FORFEITURE REPORT BY ATTORNEY REPRESENTING THE STATE.**

***** CONSENT AGENDA *****

COMMISSIONERS COURT ACTION REQUESTED:

It is requested that the Commissioners Court receive and file the Auditor's Report of the review of the FY 2013 Chapter 59 Asset Forfeiture Report by Attorney Representing the State.

BACKGROUND:

As required by Article 59.06 of the Code of Criminal Procedure, the Auditor's Office reviewed the attached FY 2013 Chapter 59 Asset Forfeiture Report by Attorney Representing the State prepared by the Tarrant County District Attorney's (DA's) Office. Unless a fifteen (15) day extension is granted, this report is due to the Office of the Attorney General (OAG) sixty (60) days after the close of the State's fiscal year, or October 31st. The DA's Office requested a fifteen (15) day extension. The County Auditor signed and provided the report to the DA's Office on November 13, 2013 to remit to the OAG. As a result of the review, the Auditor's Office believes that the information contained in the report is true and correct based on the review of relevant documents and supporting materials. However, the attached audit report includes recommendations related to the reconciliation of the DA's databases and the disposition of final orders.

Attached is a response from the District Attorney.

FISCAL IMPACT:

There is no fiscal impact associated with this item.

SUBMITTED BY:	Auditors	PREPARED BY:	S. Renee Tidwell
		APPROVED BY:	



TARRANT COUNTY

TARRANT COUNTY ADMINISTRATION BUILDING - ROOM 506
100 E. WEATHERFORD
FORT WORTH, TEXAS 76196-0103
817/884-1205
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FIRST ASSISTANT COUNTY AUDITOR
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November 25, 2013

The Honorable Joe Shannon Jr., Tarrant County Criminal District Attorney
The Honorable District Judges of Tarrant County
The Honorable Tarrant County Commissioners Court

Re: Auditor's Report – Review of the FY2013 Chapter 59 Asset Forfeiture Report by Attorney
Representing the State

SUMMARY

As required by Article 59.06 of the Code of Criminal Procedure, we reviewed the attached *FY2013 Chapter 59 Asset Forfeiture Report by Attorney Representing the State* prepared by the Tarrant County District Attorney's (DA) Office. Unless a 15 day extension is granted, this report is due to the Office of the Attorney General (OAG) 60 days after the close of the State's fiscal year, or October 31. The DA's Office requested a 15-day extension. The County Auditor signed and provided the report to the DA's Office on November 13, 2013 to remit to the OAG. As a result of our review, we believe that the information contained in the report is true and correct based on our review of relevant documents and supporting materials.

However, we found that the DA's Office did not reconcile the two databases, the New Case Log and Time Matters, to the County's general ledger. Specifically, we observed:

- The New Case Log contained gaps in the manual receipt numbers, duplicate receipt numbers, and voided transactions entered as cash receipts.
- There were two cases where the agency recorded in Time Matters was not the agency recorded in the general ledger to receive the seized funds.
- There was one case where the seized amount recorded in Time Matters was not the amount recorded in the general ledger.

We reconciled the databases to the general ledger, and noted that the items described above were a result of recording errors in the DA's databases and the DA number referenced in the general ledger. These errors should be detected either by the DA's Office or the Auditor's Office *before* disposition of the final judgment, including the disbursement of cash.

We also observed 42 cash seizure cases totaling almost \$56,000 with final orders from a court dated over 70 days ago. Of these 42 cases, 13 cases had final orders dated over a year ago.

We recommend that the DA's Office implement procedures to ensure that seized assets, including property and cash, are recorded accurately into both the New Case Log and Time Matters databases. Furthermore, staff should reconcile the two databases to the County's general ledger on a periodic basis. Any differences should be researched for resolution. During our review, DA staff began making corrections to the databases. We also recommend that the DA's Office initiate the disposition of final orders in a timely manner.

BACKGROUND AND METHODOLOGY

The DA's Office maintains a case management database to record various case activities, both financial and non-financial. The DA's Office does not necessarily have custody and control of all cash and non-cash assets. Rather, other agencies may retain control of certain seized assets. The DA's Office prepares manual receipts to record the receipt of case documents and assets, both cash and non-cash.

The report focuses on two separate elements of the DA's Office asset forfeiture process: financial activity and case activity.

Financial Activity

Sections I and II of the report include monies under the control and custody of the DA's Office. The financial transactions included in the report were obtained from the County's general ledger. We reviewed selected cash transactions recorded in the database to supporting documents such as court orders, seizure reports, and manual receipts. We also traced cash transactions under the control of the DA's Office to the County's general ledger.

Section VI of the report includes expenditures made for law enforcement purposes. We reconciled these amounts to the County's general ledger. Throughout the fiscal year, the Auditor's Office reviewed expenditures using Chapter 59 funds to verify that the purchase was for law enforcement purposes.

Case Activity

Sections III, IV and V of the report include non-cash assets, such as motor vehicles, weapons, and other property (TV's, PC's etc.). On a test basis, we 1) traced the non-cash assets recorded in the database to supporting documentation such as court orders and auction sales reports, and 2) performed a physical inspection of the assets under the control of the DA's Office.

CLOSING REMARKS

If you have any questions regarding the contents of this report, please do not hesitate to contact the Auditor's Office.

Very truly,



Renee Tidwell, CPA
County Auditor

Attachment: FY2013 Chapter 59 Asset Forfeiture Report by Law Enforcement Agency
Management's Response

Distribution: Helen Giese, Business Manager, District Attorney's Office

Audit Team: Kim Trussell, Audit Manager Laura Weist, Manager, Financial Services
Dan Thompson, Senior Auditor Tim Sears, Senior Auditor
Matt Jones, Internal Auditor

**FY 2013
CHAPTER 59 ASSET FORFEITURE REPORT
BY ATTORNEY REPRESENTING THE STATE**

Agency Name:	Tarrant County District Attorney Sponsoring Tarrant County Narcotics Unit	Reporting Period: (local fiscal year)	9/01/2012 to 8/31/2013
Agency Mailing Address:	Joe Shannon, Jr. 401 W. Belknap Fort Worth, TX 76196	example:	09/01/12 to 08/31/13
Phone Number:	817-884-1694		
County:	Tarrant		
Email Address:	hhgiese@tarrantcounty.com	This should be a permanent agency email address	

NOTE: PLEASE ROUND ALL DOLLAR FIGURES TO NEAREST WHOLE DOLLAR.

I. SEIZED FUNDS

A) Beginning Balance:	\$ 1,900,361.39
B) Seizures During Reporting Period:	
1) Amount seized by employees of your agency:	\$ 0
2) Amount seized by other agencies:	\$ 3,547,235.66
C) Forfeiture Petitions Filed for All Agencies You Represent:	\$ 8,445,237.55
D) Forfeitures Pending For All Agencies You Represent:	\$ 1,904,125.56
E) Interest Earned on Seized Funds During Reporting Period:	\$ 4,543.85
F) Amount Returned to Defendants/Respondents:	\$ 536,823.93
G) Amount Transferred to Forfeiture Account:	\$ 1,631,740.60
H) Other Reconciliation Items:	\$
I) Ending Balance: Instructions: Add lines A, B(1), B(2) E and H, subtract lines F and G, put total in line I.	\$ 3,283,576.37

II. FORFEITED FUNDS

A) Beginning Balance:	\$ 0
B) Amount Forfeited For All Agencies You Represent and Covered by Local Agreement:	
1) Amount Forfeited and Transferred to all Agencies Covered by Local Agreement:	\$ 983,585.96
2) Amount forfeited and Received by Your Agency:	\$ 648,154.64
C) Interest Earned on Forfeited Funds During Reporting Period :	\$ 0
D) Proceeds Received by Your Agency From Sale of Forfeited Property:	\$ 195,481.32

E) Amount Returned to Crime Victims:	\$
F) Other Reconciliation Items:	\$
G) Total Expenditures of Forfeited Funds During Reporting Period:	\$ 843,635.96
H) Ending Balance: Instructions: Add lines A, B(2), C, D and F, subtract lines E and G, place total in line H.	\$ 0

III. OTHER PROPERTY

Please Note: these should be a number, not a currency amount. For example: 4 pending, 3 seized, 12 new petitions, etc....	MOTOR VEHICLES (Include cars, motorcycles, tractor trailers, etc.)	REAL PROPERTY (Count each parcel seized as one item)	COMPUTERS Include computer and attached system components, such as printers and monitors as one item)	FIREARMS (Include only firearms seized for forfeiture under Chpt. 59. Do not include weapons disposed of under Chpt. 18)	OTHER (Include description) Electronics, Jewelry Equipment, Misc, Electronic Scales
Pending for all agencies at beginning of reporting period:	197	4	104	141	520
Seized by your agency during reporting period:	0	0	0	0	0
New petitions filed for all agencies during reporting period:	246	4	440	97	579
Forfeited to your agency during reporting period:	0	0	0	0	0
Put into service by your agency during reporting period:	0	0	0	0	0
Pending for all agencies at end of reporting period:	234	4	78	157	527

IV. FORFEITED PROPERTY RECEIVED FROM ANOTHER AGENCY

A) Motor Vehicles:	#0
B) Real Property:	#0
C) Computers:	#0
D) Firearms:	#0
E) Other:	#0

V. FORFEITED PROPERTY TRANSFERRED OR LOANED TO ANOTHER AGENCY

A) Motor Vehicles:	#0
B) Real Property:	#0
C) Computers:	#0

D)	Firearms:	# 0
E)	Other:	# 0

VI. EXPENDITURES

A)	SALARIES	
1.	Increase of Salary, Expense, or Allowance for Employees (Salary Supplements):	\$
2.	Salary Budgeted Solely From Forfeited Funds:	\$ 843,635.96
3.	Number of Employees Paid Using Forfeiture Funds:	# 15 FTE & 1 PT
4.	TOTAL SALARIES PAID OUT OF CHAPTER 59 FUNDS:	\$ 843,635.96
B)	OVERTIME	
1.	For Employees Budgeted by Governing Body:	\$
2.	For Employees Budgeted Solely out of Forfeiture Funds:	\$
3.	Number of Employees Paid Using Forfeiture Funds:	#
4.	TOTAL OVERTIME PAID OUT OF CHAPTER 59 FUNDS:	\$
C)	EQUIPMENT	
1.	Vehicles:	\$
2.	Computers:	\$
3.	Firearms, Vests, Personal Equipment:	\$
4.	Furniture:	\$
5.	Software:	\$
6.	Maintenance Costs:	\$
7.	Uniforms:	\$
8.	K9 Related Costs:	\$
9.	Other (Provide Detail on Additional Sheet):	\$
10.	TOTAL EQUIPMENT PURCHASED WITH CHAPTER 59 FUNDS:	\$
D)	SUPPLIES	
1.	Office Supplies:	\$
2.	Cellular Air Time :	\$
3.	Internet:	\$
4.	Other (Provide Detail on Additional Sheet) :	\$
5.	TOTAL SUPPLIES PURCHASED WITH CHAPTER 59 FUNDS:	\$
E)	TRAVEL	
1.	Total In State Travel	\$
	a) Transportation:	\$
	b) Meals & Lodging:	\$

	c) Mileage:	\$
	d) Incidental Expenses:	\$
2.	Total Out of State Travel	\$
	a) Transportation:	\$
	b) Meals & Lodging:	\$
	c) Mileage:	\$
	d) Incidental Expenses:	\$
3.	TOTAL TRAVEL PAID OUT OF CHAPTER 59 FUNDS:	\$
F)	TRAINING	
1.	Fees (Conferences, Seminars):	\$
2.	Materials (Books, CDs, Videos, etc.):	\$
3.	Other (Provide Detail on Additional Sheet):	\$
4.	TOTAL TRAINING PAID OUT OF CHAPTER 59 FUNDS	\$
G)	INVESTIGATIVE COSTS	
1.	Informant Costs:	\$
2.	Buy Money:	\$
3.	Lab Expenses:	\$
4.	Other (Provide Detail on Additional Sheet) :	\$
5.	TOTAL INVESTIGATIVE COSTS PAID OUT OF CHAPTER 59 FUNDS:	\$
H)	PREVENTION/TREATMENT PROGRAMS / FINANCIAL ASSISTANCE / DONATIONS	
1.	Total Prevention/Treatment Programs (pursuant to 59.06 (h), (j)):	\$
2.	Total Financial Assistance (pursuant to Articles 59.06 (n) and (o)):	\$
3.	Total Donations (pursuant to Articles 59.06 (d-2)):	\$
4.	TOTAL PREVENTION/TREATMENT PROGRAMS / FINANCIAL ASSISTANCE / DONATIONS (pursuant to Articles 59.06 (h), (j), (n), (o) (d-2)):	\$
I)	FACILITY COSTS	
1.	Building Purchase:	\$
2.	Lease Payments:	\$
3.	Remodeling:	\$
4.	Maintenance Costs:	\$
5.	Utilities:	\$
6.	Other (Provide Detail on Additional Sheet):	\$
7.	TOTAL FACILITY COSTS PAID OUT OF CHAPTER 59 FUNDS:	\$

J)	MISCELLANEOUS FEES	
1.	Court Costs:	\$
2.	Filing Fees:	\$
3.	Insurance:	\$
4.	Witness Fees:	\$
5.	Audit Costs and Fees:	\$
6.	Other (Provide Detail on Additional Sheet):	\$
7.	TOTAL MISCELLANEOUS FEES PAID OUT OF CHAPTER 59 FUNDS:	\$
K)	PAID TO STATE TREASURY / GENERAL FUND / HEALTH & HUMAN SERVICES COMMISSION:	
1.	Total paid to State Treasury due to lack of local agreement pursuant to 59.06 (a):	\$
2.	Total paid to State Treasury due to participating in task force not established in accordance with 59.06 (q)(1):	\$
3.	Total paid to General Fund pursuant to 59.06 (C-3) (c) (Texas Department of Public Safety only):	\$
4.)	Total forfeiture funds transferred to the Health and Human Services Commission pursuant to 59.06 (p):	\$
5)	TOTAL PAID TO STATE TREASURY / GENERAL FUND / HEALTH & HUMAN SERVICES COMMISSION OUT OF CHAPTER 59 FUNDS:	\$
L)	TOTAL PAID TO COOPERATING AGENCY(IES) PURSUANT TO LOCAL AGREEMENT:	\$
M)	TOTAL OTHER EXPENSES PAID OUT OF CHAPTER 59 FUNDS WHICH ARE NOT ACCOUNTED FOR IN PREVIOUS CATEGORIES (provide detailed descriptions on additional sheet(s) and attach to this report):	\$
N)	TOTAL EXPENDITURES:	\$ 843,635.96

NOTE: BOTH CERTIFICATIONS MUST BE COMPLETED

AUDITOR / TREASURER / ACCOUNTING PROFESSIONAL CERTIFICATION

I swear or affirm that the Commissioners Court, City Council or Agency Head (if no governing body) has requested that I conduct the audit required by Article 59.06 of the Code of Criminal Procedure and that upon diligent inspection of all relevant documents and supporting materials, I believe that the information contained in this report is true and correct.

AUDITOR, TREASURER or
ACCOUNTING PROFESSIONAL
(Printed Name):

S. Renee Tidwell

TITLE:

County Auditor

SIGNATURE:



DATE:

11/13/13

AGENCY HEAD CERTIFICATION

I swear or affirm, under penalty of perjury, that I have accounted for the seizure, forfeiture, receipt, and specific expenditure of all proceeds and property subject to Chapter 59 of the Code of Criminal Procedure, and that upon diligent inspection of all relevant documents and supporting materials, this asset forfeiture report is true and correct and contains all information required by Article 59.06 of the Code of Criminal Procedure. I further swear or affirm that all expenditures reported herein were lawful and proper, and made in accordance with Texas law.

ATTORNEY REPRESENTING THE
STATE (Elected Official) (Printed
Name):

Joe Shannon, Jr.

SIGNATURE:



DATE:

11/12/2013

RETURN COMPLETED FORM TO:

Office of the Attorney General
Criminal Prosecutions Division
P.O. Box 12548
Austin, TX 78711-2548
Attn: Kent Richardson
(512)463-1591
Chapter59AuditReport@texasattorneygeneral.gov

WE CANNOT ACCEPT FAXED OR EMAILED COPIES. PLEASE MAIL THE SIGNED, ORIGINAL DOCUMENT TO OUR OFFICE AT THE ADDRESS ABOVE.



TARRANT COUNTY

OFFICE OF THE
CRIMINAL DISTRICT ATTORNEY
www.tarrantda.com

JOE SHANNON JR.
CRIMINAL DISTRICT ATTORNEY
817/884-1400

TIM CURRY
CRIMINAL JUSTICE CENTER
401 W. BELKNAP
FORT WORTH, TX 76196-0201

February 4, 2014

Dear Rene Tidwell:


We are in receipt of the Auditor's Report reviewing the FY2013 Chapter 59 Asset Forfeiture Report by Attorney Representing the State. We are pleased to see that the Auditor believes that the information contained in the FY2013 Chapter 59 Asset Forfeiture Report is true and correct.

With regard to the additional observations made in the Auditor's Report my office has made the following changes. One, graphics has printed new receipts with numbers. This was suggested by the Auditor to help reduce the gaps identified in the New Case Log.

Two, all employees have been instructed to have changes to the seizure data delivered to all applicable parties for corrections. This should reduce the reconciliation of the New Case Log, the Time Matters database, and the County's general ledger.

Finally, all signed forfeitures will be scanned into our system before the forfeiture leaves the Tim Curry Criminal Justice Center. This procedure may reduce the number of aged judgments.

Sincerely,


JOE SHANNON, JR.
CRIMINAL DISTRICT ATTORNEY
TARRANT COUNTY, TEXAS

JS/dl