AUDITOR'S REPORT

COUNTY ATTORNEY'S OFFICE
STATE SEIZED AND FORFEITED ASSETS
TWELVE MONTHS ENDED FEBRUARY 29, 2016

August 26, 2016

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August 26, 2016

Mr. Vince Ryan
County Attorney's Office
1019 Congress, 15th Floor
Houston, TX 77002

RE: Harris County Attorney's Office State Seized and Forfeited Assets for the twelve months ended February 29, 2016

The Audit Services Department performed procedures relative to the Harris County Attorney's (the Office) State Seized and Forfeited Assets. The objective of the engagement was to examine the seized and forfeited accounts and report the issues to Commissioners' Court in accordance with Local Government Code (L.G.C.) §115.0035. Our procedures included the following:

- Selectively testing whether the Office's seized and forfeited bank account statements reconciled to their respective balances recorded in the County's Financial Records (IFAS).

- Selectively testing whether deposits to the Office's forfeited bank accounts were timely deposited and accurately recorded in IFAS.

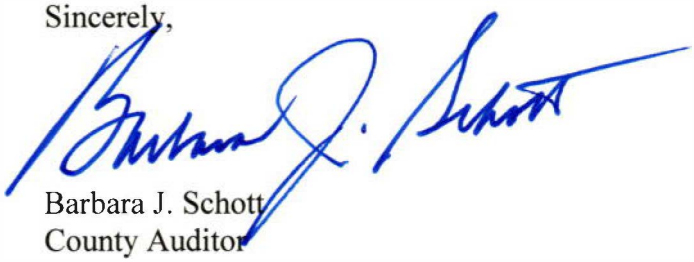
- Selectively testing whether disbursements from the Office's forfeited assets bank accounts were properly authorized, appropriately supported, and accurately recorded in IFAS.

The work performed required our staff to exercise professional judgment in completing the scope objectives. As the procedures were not a detailed examination of all transactions, there is a risk that error or fraud was not detected during this engagement. The Official, therefore, retains the responsibility for the accuracy and completeness of their financial records and ensuring sufficient controls are in place to detect and prevent fraud.

Mr. Vince Ryan
Harris County Attorney

We appreciate the time and attention provided by you and your staff during this engagement.

Sincerely,



Barbara J. Schott
County Auditor

cc: District Judges
County Judge Ed Emmett
Commissioners:
R. Jack Cagle
Jack Morman
Steve Radack
Gene Locke
Devon Anderson
William J. Jackson

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OVERVIEW

Law enforcement agencies may seize funds and/or property used or intended to be used to facilitate the commission of certain crimes. This also includes the proceeds and any property acquired with the proceeds gained from the commission of certain crimes. The seizing officer must secure the seized assets and file a sworn statement with the Harris County District Attorney's Office (District Attorney). Within 30 days of the seizure, the District Attorney must commence proceedings by filing a notice of seizure and intended forfeiture with the Clerk of the District Court.

Seized funds and property are forfeited to the District Attorney and law enforcement agencies based upon final judgment of the District Court and in accordance with local agreements executed between the District Attorney and the law enforcement agencies. Forfeited funds and proceeds from the sale of forfeited property are deposited in a special fund in the County Treasury and are to be used solely for law enforcement purposes.

In accordance with L.G.C. §115.0035, the Harris County Auditor's Office is responsible for conducting an audit of the Office's accounts associated with the special fund. The ending IFAS balance of the Office's account associated with the special fund as of February 29, 2016, was approximately $2,169,100.

RESULTS

Based on the procedures performed in accordance with L.G.C. §115.0035, *Examination of Funds Collected by County Entity or the District Attorney*, no matters came to our attention that caused us to believe that the accounts associated with the special funds for forfeited assets were materially misstated.

Although an issue concerning timely deposits of forfeited funds was identified, this was presented in a report approved by Commissioners Court on June 14, 2016, which was submitted by the vendor performing an audit in accordance with Chapter 59.06 of the Code of Criminal Procedure. As such, this issue is not presented in our report.