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AG LE DIRECTIVE NO. 2004-4

TO: ALL COUNTY PROSECUTORS

FROM: AAG Jessica S. Oppenheim, Chief 
Prosecutors Supervision and Coordination Bureau

DATE: October 29, 2004

SUBJECT: **ATTORNEY GENERAL LAW ENFORCEMENT DIRECTIVE NO. 2004-4:**
Standardization of External Audits of County Prosecutor's Office Forfeiture Funds

Attached is the Attorney General Law Enforcement Directive No. 2004-4 regarding the standardization of external audits of County Prosecutor's Office Forfeiture Funds which became effective October 25, 2004. Also attached is the Manual referred to in the Directive.

jk

Attachments

- c. Peter C. Harvey, Attorney General
- Mariellen Dugan, First Assistant Attorney General, OAG
- Markus Green, Chief of Staff, Office of the Attorney General, OAG
- Director John Kennedy, Office of Government Integrity
- Vaughn L. McKoy, Director, DCJ
- Deborah R. Edwards, Chief of Staff, DCJ
- Keith Poujol, Assistant Director, DCJ
- Jessica S. Oppenheim, Chief, Prosecutors Supervision & Coordination Bureau,
Division of Criminal Justice, DCJ
- Chief State Investigator Anne Kriegner



ATTORNEY GENERAL LAW ENFORCEMENT DIRECTIVE No. 2004-4

Standardization of External Audits of County Prosecutor's Office Forfeiture Funds

WHEREAS, it is the policy of the Attorney General that all State, County and Municipal law enforcement agencies shall administer State and Federally forfeited funds and property in a uniform manner, consistent with established State and Federal law, regulations, directives, and standard operating procedures; and

WHEREAS, the Attorney General as the State's chief law enforcement officer, has authority to oversee the Forfeiture operations of the County Prosecutor's Offices and ensure compliance with the forfeiture-related provisions of N.J.S.A. 2C:64-1 et seq.; N.J.S.A. 2C:41-1 et seq.; N.J.S.A. 2C:21-25 et seq.; N.J.S.A. 40A:5-1 et seq.; and, the State of New Jersey Forfeiture Program Administration Standard Operating Procedures (SOP's 1-12); and

WHEREAS, SOP 12 requires County Prosecutors to have a registered municipal accountant (RMA)/certified public accountant (CPA) audit all accounts containing or related to forfeited and seized property, on an annual basis; and

WHEREAS, the Attorney General has surveyed the manner in which the annual RMA/CPA audits of County Forfeiture funds are conducted and has determined that utilization of a standardized format by external auditors would produce more accurate and timely audit results and would allow for more efficient and productive oversight of compliance with SOP's, statutes, regulations, guidelines and directives; and

WHEREAS, this determination was not made in response to any serious existing problem or emergent need, but rather was made in consultation with the County Prosecutors Association of New Jersey to enhance the administration of State and Federally forfeited funds and property;

NOW, THEREFORE, I, PETER C. HARVEY, Attorney General of the State of New Jersey, by virtue of the authority vested in me by the Constitution and by the Criminal Justice Act of 1970, N.J.S.A. 52:17B-97 et seq., do hereby ORDER and DIRECT the following:

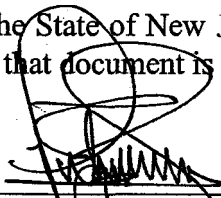
1. The Office of Government Integrity shall establish a "Manual for External Audits of County Forfeiture Accounts." This manual will contain instructions for the County Prosecutor, the engaged CPA firm, and the Division of Criminal Justice, to assist all parties in complying with applicable statutes, regulations, directives and SOP's.
2. Each County Prosecutor shall have all Forfeiture accounts audited on an annual basis by an external RMA/CPA. The engaged firm shall be provided with a copy of the "Manual for External Audits of County Forfeiture Accounts," and any internal documents necessary to complete the audit. The audit shall include the reports and procedures specified in the manual. The manual will also include formats, reports, and schedules which must be

followed.

3. In that N.J.S.A. 40A:5-4 requires the governing body of each County to have an RMA/CPA audit, on an annual basis, all books, accounts and transactions of County government agencies, the Prosecutor's responsibility for ensuring an **annual** audit of forfeiture-related accounts can be satisfied by the County audit conducted pursuant to N.J.S.A. 40A:5-4, provided that the County audit of the Prosecutor's forfeiture-related accounts is conducted, and the audit report is prepared, in conformity with the requirements of the "Manual for External Audits of County Forfeiture Accounts." Otherwise, the County Prosecutor shall arrange for an external audit independent of the County audit.

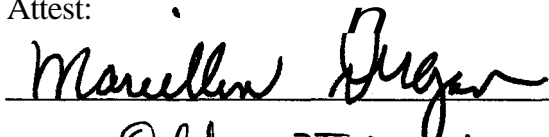
4. Each County Prosecutor shall be responsible for reviewing findings from the annual external audit to ensure compliance with applicable statutes, regulations, directives and SOP's, including this Attorney General Law Enforcement Directive. The Division of Criminal Justice will be responsible for conducting follow-up within 120 days of receipt of a copy of the audit to ensure all findings have been addressed.

This directive shall take effect immediately. However, it shall only apply to audits of Forfeiture accounts commenced after its effective date. In addition, the manual shall be incorporated into the State of New Jersey Forfeiture Program Administration Standard Operating Procedures when that document is next revised.



PETER C. HARVEY
ATTORNEY GENERAL

Attest:



Date: October 25, 2004