# MEMO

DATE: March 28, 2019

TO: Internal Files

FROM: Beth Thomas

RE: Federal Asset Seizure Account

On March 28, 2019, the Franklin County Sheriff Office (FCSO) relinquished the accounting records, checkbook, and other documentation for the Federal Asset Seizure Account to the Franklin County Board of Commissioners (BOC). The FCSO provided all historical banking information and a copy of the QuickBooks accounting records.

The change in custody is pursuant to the Federal/State regulations, policies and procedures pertaining to this type of account. From this point forward, the BOC will maintain the checkbook and all related accounting records. The BOC will issue checks in accordance with the BOC procurement policies and Accounts Payable procedures as well as in compliance with any Federal/State regulations. The FCSO will continue to perform the annual reporting as required by State/Federal regulations. In addition, the FCSO will continue monitoring of seized assets through E-Share.

The items listed below are the immediate tasks related to the change in custody and agreed upon by the FCSO and BOC.

- Set up Accounting Entity in Edmunds to Account for Information (**BOC**)
  - Develop Chart of Accounts in Edmunds
- Request and perform interim audit of account to validate beginning balance (**BOC**)
- Request banking signature card update via letter (**FCSO**)
  - Banking paperwork/signature cards update (**First Citizens**)
- Set Up Account in First Citizen Business Online Banking (**BOC/First Citizens**)
  - Research access for FCSO to BOB
- Develop policy and procedure for authorization of fund expenditures (**FCBOC/FCSO**)

Franklin County Sheriff Office

Franklin County Board of Commissioners

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Franklin County Sheriff Office

Franklin County Board of Commissioners

**Franklin County Sheriff**
**Criminal Investigation Division**
159 A.T. Mauldin Drive
Carnesville, Georgia 30521

Jimmy LeCroy
Chief (Deputy) Investigator

706-918-3097 706-384-4886 (fax) 706-491-4134 (cell) jlecroy@franklincosheriff.net

# MEMO

Date: February 4, 2019

To: Sheriff Steve Thomas

From: Jimmy LeCroy

Subject: Federal seized Assets
Equitable sharing
Procedures and requirements

EXHIBIT (A) : Equitable Sharing
Bookkeeping Procedures and Internal Controls

EXHIBIT (B): First Citizens Bank
Account # 8000076235401
Franklin County Sheriff-FEDERAL SEIZURE
January 2019 Statement

After receiving federal training regarding Equitable Sharing for local Law Enforcement a discovery was made pertaining to the federal seized monies that were currently under the custody and control of myself and Sheriff Thomas. The findings subjected the agency to be in non-compliance. The subject area pertained to;

***The Accounting Procedures and requirements for shared cash, Proceeds and tangible property is fully defined on page 24, section VI, (A) regarding bookkeeping procedures and internal controls. (see Exhibit A)***

In order to remain compliant, the possession of the financial account named Franklin County Sheriff- FEDERAL SEIZURE ACCOUNT, Account number 800076235401, First Citizens Bank must be maintained in the same manner as appropriated funds. Thus, the

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financial account shall be relinquished to the Franklin County Board of Commissioners.

In review, the findings were reported to Erika Rodriguez, DOJ representative for agreement, certification and audit. As directed the changes should be completed in a timely manner to remain compliant for the fiscal year.

**The Solution is rendered as;**

Inform Agency Head, include with MEMO

Make notification to DOJ, attn: Anne Insley C/O U.S.D.O.J Financial Support Staff

Contact County Manger Beth Thomas regarding the requirement.

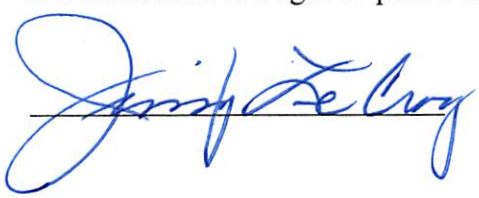
Collect and prepare all financial documentation for relinquish to BOC.

Notify Banking institution of signature changes.

Notify county auditors.

Relinquish account before May 1, 2019

Authorization to begin required changes, this 4th of February, 2019



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# Exhibit- (A)

U.S. Department of Justice
U.S. Department of Treasury

Equitable sharing guidelines
page 24, section VI, (A)

VI. **What Are the Accounting Procedures and Requirements for Shared Cash, Proceeds, and Tangible Property?**

All participating state and local law enforcement agencies must implement standard accounting procedures and internal controls that are consistent with the guidelines set forth below to track equitably shared funds and tangible property. At any time, the Department of Justice or the Department of the Treasury may request documents related to equitable sharing, conduct an audit or compliance review, or implement additional reporting requirements and spending plans. Department of Justice and Department of the Treasury equitable sharing funds must be tracked and maintained separately.

**A. Bookkeeping Procedures and Internal Controls**

The state or local participating law enforcement agency must:

1. Maintain equitable sharing funds with the same entity that maintains the agency's appropriated funds and administers procurement actions. Bank accounts, checkbooks, purchase cards, and other financial instruments or documents must be maintained in the same manner as appropriated funds.

2. Establish separate Department of Justice and Department of the Treasury accounts or accounting codes to track both revenues and expenditures for each respective Program. No other funds may be commingled in these accounts or with these accounting codes.

3. Process all expenditures and payments in the same manner as appropriated funds, including procurement and payment transactions.

4. Deposit all interest earned on equitable sharing funds into the respective account or accounting code. All interest is subject to the same use restrictions as equitable sharing funds. Losses to funds maintained in investment accounts in accordance with the jurisdiction's policies may not be allocated to or deducted from the equitable sharing account.

5. Maintain and follow written policies for accounting, bookkeeping, inventory control, and procurement that comply with the applicable provisions of the OMB Uniform Administrative Requirements, Costs, Principles, and Audit Requirements for Federal Awards or any subsequent updates and jurisdiction policies. Ensure distribution of relevant policies to all appropriate personnel.

6. Maintain records of all revenue and expenditures posted to the account or accounting code— to include bank/ledger statements, invoices, receipts, required jurisdiction approvals, or any other documents used or created during the procurement process.

7. Report all transactions using cash-based accounting methods. 22 | Guide to Equitable Sharing

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8. Dispose of items purchased with shared funds in accordance with the agency's disposal policies. To the extent practicable and if consistent with the agency's procurement and disposal polices, deposit proceeds from the sale of such property into the agency's sharing account or accounting code. If an item has minimal or no value, an agency may donate the item to a recipient of its choice if permitted under the agency's disposal policies.

9. Ensure the law enforcement agency head, or designee, authorizes all expenditures from the sharing accounts.



First Citizens Bank

Central Bank Operations - DAC02
P.O. Box 27131
Raleigh, NC 27611-7131

ZE EST
801

57575
FRANKLIN CO SHERIFF'S DEPT
SEIZURE ACCOUNT
PO BOX 310
CARNESVILLE GA 30521-0310

**Your Account(s) At A Glance**

| | |
|---|---|
| **Checking Balance** | **1,740.76+** |

Statement Period: January 1 , 2019 Thru January 31, 2019 Account Number : 800076235401




## Basic Business Checking

Account Number : 800076235401

Enclosures In Statement: 0

| | | | |
|---|---|---|---|
| **Beginning Balance** | **1,740.76+** | Statement Period Days | 31 |
| 0 Deposits | 0.00 | Average Ledger Balance | 1,740.00+ |
| 0 Other Credits | 0.00 | | |
| 0 Checks | 0.00 | | |
| 0 Other Debits | 0.00 | | |
| Monthly Service Charge | 0.00 | | |
| **Ending Balance** | **1,740.76+** | | |

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Direct Customer Inquiry Calls To
FIRST CITIZENS DIRECT
Telephone Banking At 1-888-323-4732.

**Franklin County Sheriff**
**Criminal Investigation Division**
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Carnesville, Georgia 30521

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# MEMO

Date: March 28, 2019

To: Sheriff Steve Thomas

From: Jimmy LeCroy

Subject: Federal seized Assets
Equitable sharing
Procedures and requirements

EXHIBIT (A): First Citizens Bank
Account # 8000076235401
Franklin County Sheriff-FEDERAL SEIZURE

EXHIBIT (B): Letter of request
First Citizens Bank

On March 28, 2019, All original banking statements, along with the financial checkbook of the above account was released to County Manager Beth Thomas. A digital copy remains in the custody of the Sheriff's Office, along with the original QUICKBOOK DATA for any future needs by the county auditor or DOJ audit representative.

On March 28, 2019, First Citizen Bank in Carnesville, Georgia was presented a letter of request to change the signatures on the above account. The official letter was served to Marlene Duke, Operation Supervisor.

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**Franklin County Sheriff**
*Sheriff Steve Thomas*
*1 James Little Street*
*P.O. Box 310*
*Carnesville, Georgia 30521*



706-384-2525 706-384-7111 706-245-6196 706-384-4886 (fax)

To: First Citizens Bank

From: Jimmy LeCroy

Date: March 28, 2019

Re: Account # 800076235401

In maintaining our compliance for Federal Asset sharing we are requesting that the signatures for the above account be changed to the Franklin County Board of Commissioners.

Sincerely,

Jimmy LeCroy

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