U.S. Department of Justice
Washington, D.C. 20530

Annual Report of the Department of Justice Asset Forfeiture Program

Fiscal Years 1995 and 1996

Office of the Attorney General

Washington, D.C. 20530

Foreword

To the Senate and House of Representatives
of the United States of America in Congress Assembled:

In accordance with 28 U.S.C. § 524(c)(6), I submit the Department of Justice's Annual Report on the Asset Forfeiture Program for Fiscal Years 1995 and 1996. This Report, prepared by the Asset Forfeiture and Money Laundering Section of the Criminal Division and the Asset Forfeiture Management Staff of the Justice Management Division, provides information regarding the activities of the Department of Justice's Asset Forfeiture Program.

Asset forfeiture remains a powerful weapon in combating crime and stripping criminals of the proceeds of their illegal activities. This Report highlights these successful efforts.

Respectfully submitted,

Janet Reno

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Chapter I: Program Overview

The Department of Justice's Asset Forfeiture Program (*hereinafter* the Program) is a nationwide law enforcement program that continues to be an effective and powerful weapon in the Department's fight against crime. More than two hundred forfeiture laws have been enacted to fight against organized crime, drug trafficking, money laundering, and other illegal activities. Thousands of federal prosecutors, investigators, property managers, and support staff are involved in the seizure and forfeiture process to achieve the Program's objectives. As part of the historical development, thousands of state and local law enforcement officials work cooperatively with their federal counterparts in the investigation and prosecution of criminal cases to strip criminals of their ill-gotten gains.

Background

Forfeiture is of ancient origin; it can be traced back to biblical times. The forfeiture of instrumentalities of illegal activity has been a part of American jurisprudence since the Colonial period. Historically, governments have recognized the need to protect their citizens against persons both inside and outside their borders who smuggle contraband into their territory. The First Congress enacted laws in 1789 subjecting vessels and cargoes to civil forfeiture for violations of the Customs laws. By arresting the captain and crew of a foreign smuggling ship and returning the ship to its owner, little was accomplished. The owner merely hired a new crew and sent the ship back on another smuggling run. Obvious parallels exist between age-old smuggling and modern-day drug trafficking—they both require methods to protect our citizens from criminals inside and outside our borders. With the emergence of illicit drug trafficking and organized crime, asset forfeiture has become an increasingly vital weapon in the United States' anti-crime arsenal.

Asset Forfeiture Mission

The primary mission of the Program is to maximize the effectiveness of forfeiture as a deterrent to crime. Wealth is power. Illegal organizations--large and small--are enhanced by the profits and proceeds obtained through such illicit activity. Illegal enterprises are damaged or destroyed by seizing and forfeiting their accumulated wealth. Accordingly, the Program is committed to destroying criminal organizations by means of depriving drug traffickers, racketeers, and other criminal syndicates of their ill-gotten proceeds and the instrumentalities of their trade; and to enhance law enforcement and intergovernmental cooperation among federal, state, local, and foreign law enforcement agencies through the equitable sharing of forfeiture proceeds.

Forfeiture Statutes

Since its early Colonial origins, forfeiture has since been enhanced by several statutes. The Racketeer Influenced and Corrupt Organizations Act of 1970 and the Controlled Substances Act of 1970 authorized criminal forfeiture for racketeering and continuing criminal enterprise or "drug kingpin" offenses. The Comprehensive Crime Control Act of 1984 established the Department of Justice Assets Forfeiture Fund (*hereinafter* the Fund) to hold proceeds of forfeitures and to finance forfeiture-related expenses as well as certain law enforcement activities. This Act also authorized the Attorney General to equitably share forfeited property with cooperating state and local law enforcement agencies. The Anti-Drug Abuse Act of 1988 further strengthened the forfeiture program by providing for international sharing through transfers pursuant to international agreements rather than formal treaties. The Act also expanded money laundering forfeiture authority and authorized the forfeiture of pornography.

Assets Forfeiture Fund

Authorized in 1984 under the Comprehensive Crime Control Act, the Fund is an account in the Department of the Treasury that receives forfeited cash and the proceeds from all cases involving the Department of Justice and the judicial cases from non-Justice agencies participating in the Program. These funds may be spent only for purposes authorized by 28 U.S.C. § 524(c).

The primary purpose of the Fund is to ensure an adequate and appropriate source of funding for seizure and forfeiture related expenses. Otherwise, these expenses would be paid by seizing agencies out of budgets funded by taxpayer dollars. The Fund puts the drug dealers or other criminals' monies to work for the taxpayer.

Forfeiture Process

Recognizing that forfeiture is a powerful weapon, the Department employs this tool with discretion. The Program strives to take the profit out of crime and to weaken criminal syndicates through the confiscation of wealth generated by criminal activity, as well as to protect the property rights of innocent owners and third parties. Property is forfeited only if it is determined to be a tool of or the proceeds of illegal activities such as drug trafficking, organized crime, and money laundering.

Civil Forfeiture

Civil forfeiture is an essential component of the asset forfeiture program. In fact, many more statutes authorize civil forfeiture than criminal forfeiture.

Civil forfeiture actions are brought directly against the proceeds or instrumentalities of the crime. For that reason, civil forfeiture is available, even if the owner of the property is not convicted of an offense. For example civil forfeiture is the only tool available to recover criminal proceeds and instrumentalities if the perpetrator has died or is a fugitive. It is also used to forfeit property belonging to a third party that a criminal uses to commit a crime. For example, if a pilot uses an airplane to smuggle drugs into the country and is arrested, civil forfeiture may be used to confiscate the airplane--and thus, prevent its use for an illegal purpose in the future--even if the plane doesn't belong to the pilot, but instead is registered to a foreign corporation beyond the reach of U.S. law enforcement.

Other instances in which civil forfeiture is essential to removing the proceeds and instrumentalities of crime from the hands of wrongdoers include: cases in which a spouse or other third party--who had knowledge of the offense, but was not charged in the criminal indictment--has an interest in the property; cases in which Congress has enacted a civil forfeiture statute but not a criminal forfeiture counterpart; and cases in which a defendant commits a series of offenses, only some of which are included in a criminal indictment.

Criminal Forfeiture

Criminal forfeiture is a relatively new sanction, dating back only to the Racketeer Influenced and Corrupt Organizations Act of 1970 and the Controlled Substances Act of 1970. Since then, the Comprehensive Crime Control Act of 1984 and the Anti-Drug Abuse Acts of 1986 and 1988 have greatly enhanced and expanded federal criminal forfeiture laws. In criminal forfeiture, the forfeiture of property is contingent upon the conviction of its owner. Criminal forfeiture is based upon the jurisdiction of the court over the defendant rather than the property, and thus allows the Government greater flexibility over property holdings than in civil forfeiture cases.

Program Components

The Department of Justice's forfeiture program consists of the following components: the Asset Forfeiture and Money Laundering Section (AFMLS) of the Criminal Division, the Asset Forfeiture Management Staff (AFMS) of the Justice Management Division, the Drug Enforcement Administration (DEA), the Federal Bureau of Investigation (FBI), the Immigration and Naturalization Service (INS), the United States Marshals Service (USMS), and the United States Attorneys' Offices (USAOs). Three non-Justice investigative agencies—the United States Postal Inspection Service (USPIS), the Food and Drug Administration (FDA), and the United States Park Police (USPP)—are also important participants in the Program.

Asset Forfeiture and Money Laundering Section (AFMLS)

In December 1994, the responsibility of coordination, direction, and general oversight of the Program was transferred to the Asset Forfeiture and Money Laundering Section (AFMLS) of the Criminal Division. AFMLS continues to handle both civil and criminal forfeiture litigation, to provide legal support to the U.S. Attorneys' Offices, to establish and promulgate standard policies and procedures for the Program, to advise the Appellate Section and the Solicitor General's Office on appellate forfeiture litigation, to coordinate multi-district asset seizures and related litigation, to determine petitions for remission or mitigation in judicial cases, to administer the equitable sharing program, and to coordinate and litigate on matters related to international forfeiture and the sharing of assets with foreign governments. AFMLS is responsible also for developing and implementing a wide variety of forfeiture training seminars for federal, state, and local law enforcement personnel.

Asset Forfeiture Management Staff (AFMS)

The reorganization of the Program created the Asset Forfeiture Management Staff (AFMS) in the Justice Management Division. AFMS has the responsibility for the administrative and financial management of the Program. These functions include: the management of the Assets Forfeiture Fund; implementation and operation of the Consolidated Asset Tracking System (CATS); the management of the internal and external budget processes regarding Fund monies; the investment of the Fund surplus balances; and the development, administration, and oversight of asset forfeiture program-wide contracts.

In FY 1995, the Program components continued their efforts to support the Program's mission of using forfeiture sanctions to dismantle criminal enterprise and to serve as a deterrent to future criminal activity. Listed below is a brief discussion of each component's activities.

Drug Enforcement Administration (DEA)

In implementing major investigative strategies and innovative operations in the fight against drug networks and international drug cartels, DEA seized a total of 13,869 items, 2,838 of which were from cases adopted from state and local law enforcement agencies. In FY 1995, DEA completed a total of 7,061 administrative forfeitures.

Federal Bureau of Investigation (FBI)

With an emphasis in white collar crime, in FY 1995, the FBI seized a total of 2,685 items of varying types, 529 of which were assets from cases adopted from state and local law enforcement agencies. The FBI completed a total of 1,382 administrative forfeitures during FY 1995.

Immigration and Naturalization Service (INS)

Using forfeiture sanctions in cases involving the violation of immigration and smuggling laws, the INS made a total of 19,398 conveyance seizures and completed a total of 11,006 administrative forfeitures.

United States Attorneys' Offices (USAOs)

The USAOs are responsible for the prosecution of both criminal defendants and civil actions against property used or acquired during illegal activity. In FY 1995, the USAOs prosecuted 1,387 criminal cases involving a total of 4,727 assets that were subject to forfeiture. Criminal forfeiture of 1,649 assets was ordered in 430 criminal cases. Of the 2,193 civil forfeiture cases filed, civil forfeiture was ordered in 1,379 cases.

United States Marshals Service (USMS)

As the primary custodian of seized property for the Program, the USMS manages and disposes of the majority of property seized for forfeiture. The USMS retained property valued at approximately $515,477 for official use and transferred property valued at approximately $363,070 to non-participating agencies for official use. (*See also* Seized Asset Inventory in chapter II.)

United States Postal Inspection Service (USPIS)

In an effort to discourage profit-motivated crimes such as mail fraud, money laundering, and drug trafficking using the U.S. mail, the USPIS seized 599 items, 4 of these items were from cases adopted from state and local agencies. The USPIS completed a total of 256 administrative forfeitures in FY 1995.

United States Park Police (USPP)

In its continuing effort to protect parkways and major arteries from being used as conduits for transporting illegal drugs, the USPP seized numerous types of property, which were adopted by the FBI and DEA. Twenty-two administrative forfeitures resulted from these seizures.

Food and Drug Administration (FDA)

The FDA's Office of Criminal Investigations investigates: health care fraud schemes, counterfeit pharmaceutical drugs, illegal distribution of adulterated foods and drugs, and product tampering. The FDA handled five cases involving asset forfeiture this fiscal year. These cases were adopted by the FBI, USPIS, and United States Customs Service on behalf of the FDA.

Chapter II: Program Performance

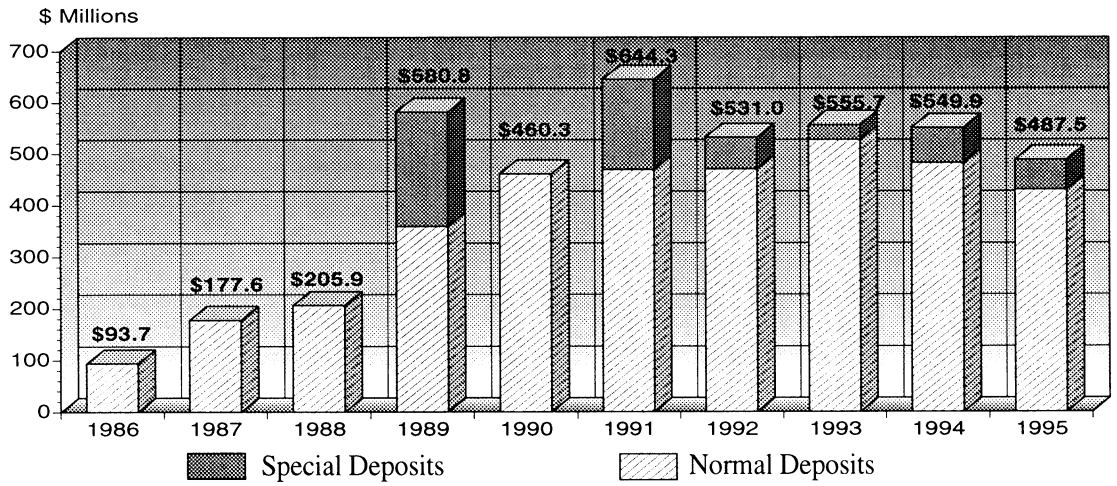
In pursuit of the Program's mission, funds obtained from forfeitures are reinvested in the fight against crime. Since 1985, more than $4.3 billion in illicit cash and proceeds from the sale of forfeited property have been deposited into the Assets Forfeiture Fund (*hereinafter* the Fund). The Fund provides a mechanism by which proceeds of successful forfeiture cases are re-invested directly into law enforcement efforts. Revenue produced from forfeitures is an invaluable source of funding that enhances the efforts of federal, state, local, and international law enforcement in the fight against crime. Fund revenue is measured in terms of net deposits to the Fund. Without the Assets Forfeiture Fund, law enforcement agencies would not have adequate resources to aggressively implement the Asset Forfeiture Program.

Fund Receipts and Deposits

In FY 1995, law enforcement received $487.5 million in proceeds forfeited from criminals to be used for investigations, equipment, operations, and training. In an austere budget environment, the Fund has provided law enforcement with critical resources to fight against crime.

The Fund began FY 1995 with a balance of $549.9 million and ended the fiscal year with total net deposits of $487.5 million. Net deposits to the Fund are primarily derived from forfeited cash and the proceeds from the sale of forfeited property. In FY 1995, $316.4 million in forfeited cash accounted for 65 percent of net deposits to the Fund and $143.1 million in proceeds from the sale of forfeited property represented 29 percent of net deposits to the Fund.

Department of Justice
Net Assets Forfeiture Fund Deposits



FY 89 includes $222M from Drexel Burnham Lambert case.
FY 91 includes $176.3M from the Michael Milken case.
FY 92 includes $55.3M from the Solomon Brothers case and $6M from BCCI interest.
FY 93 includes $9.7M from the McNamara case, $9.7M from BCCI interest, $13.6M from BCCI interest, and $28.2M from BCCI principal deposits.
FY94 includes $26.7M from the McNamara case, $13.6M from BCCI interest, and $28.2M from BCCI principal deposits.
FY 95 includes $27.7M from the McNamara case, $25.6M from BCCI interest, $25.5M from the Caxton Anti-Trust case, and $21.1M from BCCI interest accumulated in the Fund.

Asset Forfeiture Management Staff, JMD

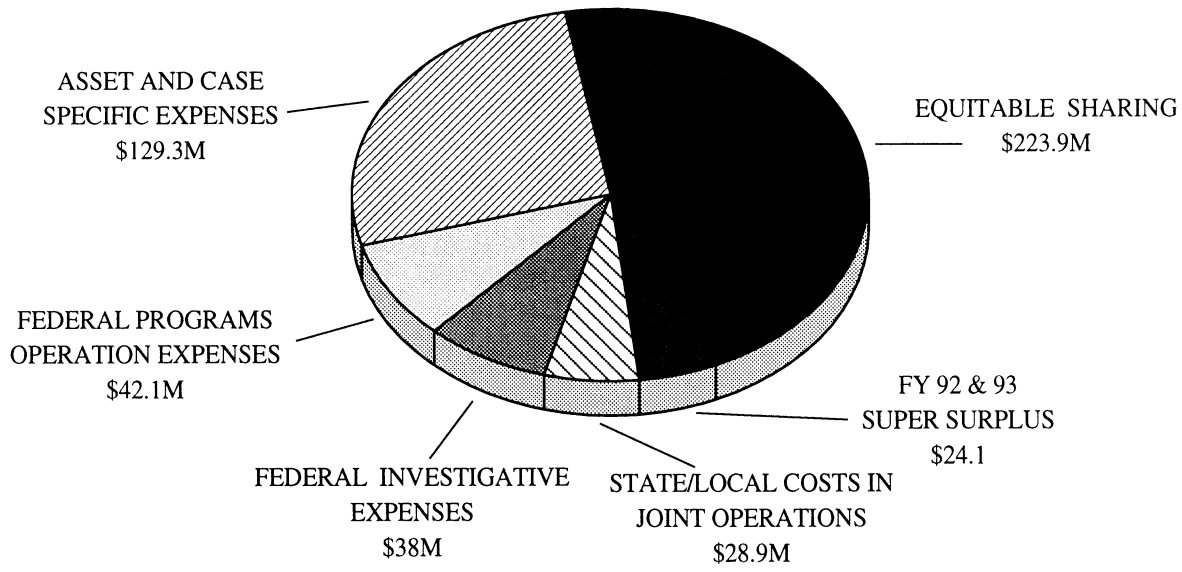
In addition to deposits provided by forfeitures, income is also derived from the investment of seized and forfeited fund balances. Investment earnings in FY 1995, including interest related to the BCCI case, totalled $54.9 million. Interest earnings accumulated to $16.4 million for forfeited cash balances, $12.9 million for seized cash balances, and $25.6 million for BCCI balances. Interest earned on BCCI funds is limited to distribution by order of the court. A court order was executed in FY 1995 that resulted in the distribution of $21.1 million of accumulated BCCI interest.

Other deposits to the Fund in FY 1995 consisted of payments and penalties in lieu of forfeiture of $10 million, recovery of asset management costs of $3.5 million, miscellaneous income of $1.8 million, and transfers from other federal agencies of $1.7 million. Refunds of $22.7 million were paid from net deposits to the Fund.

Official Use

In addition to the authority to sell property forfeited under laws enforced or administered by the Department, the Attorney General is also authorized to retain forfeited property for official use, and to transfer forfeited property to another federal agency or to any state or local law enforcement agency that participated directly in the seizure or forfeiture of the property. In FY 1995, federally forfeited conveyances and other tangible property worth approximately $5 million were transferred to state and local law enforcement agencies through the equitable sharing program. Conveyances and personal property worth approximately $7.6 million were retained for official use by the FBI, DEA, INS, USMS, USPIS, and the USPP.

Department of Justice
Assets Forfeiture Fund
Obligations and Distributions
Fiscal Year 1995



Note: These obligations do not include the cumulative effect of prior year deobligations.

Asset Forfeiture Management Staff, JMD

Program Expenses

Net deposits into the Fund are available to the Attorney General to meet program operation expenses. Following these amounts, any remaining deposits to the Fund are available to the Attorney General for investigative expenses up to the amount of appropriated authority. Authorities and limitations governing the use of the Fund are specified in 28 U.S.C. § 524(c).

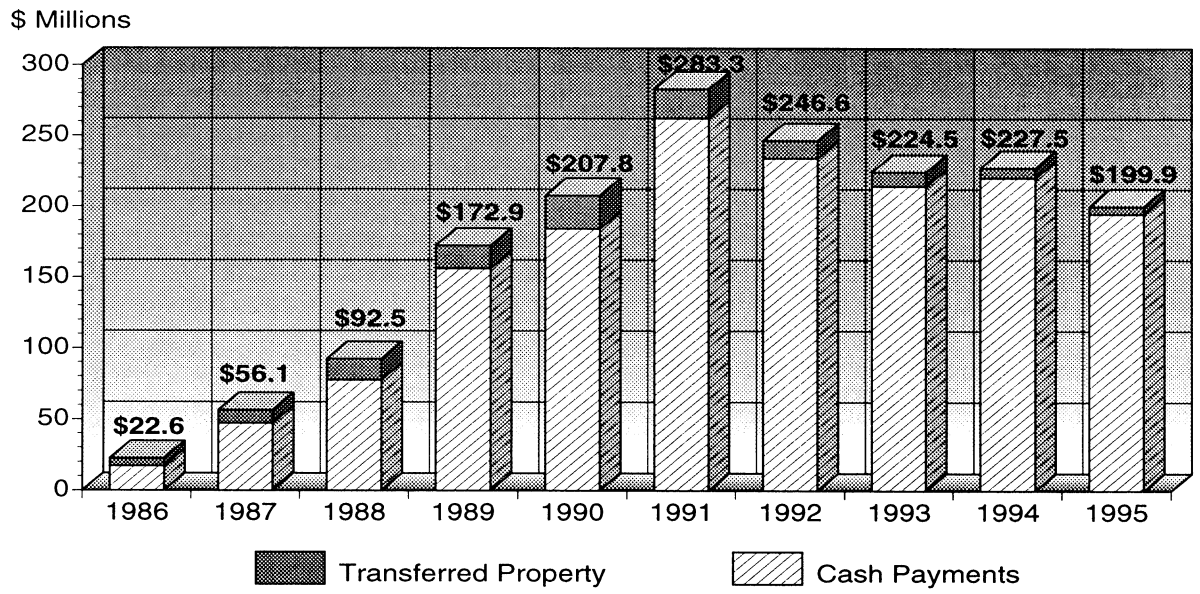
Pursuant to 28 U.S.C. § 524(c), the Attorney General has discretion to use the Fund to pay any necessary expenses associated with the seizure, detention, management, forfeiture, and disposal of seized property.

In FY 1995, a total of $85.8 million was expended for the business costs of the Program associated with the management and disposal of seized and forfeited assets, case-related expenses, and innocent third party payments. Another $137.3 million has helped finance program management and investigative expenses associated with the anti-crime efforts of the federal law enforcement agencies participating in the Program.

Liens and Mortgages

The Fund paid a total amount of $40.2 million in liens and mortgages. As a general rule, valid liens or mortgages are deducted from gross sale proceeds before the proceeds are deposited to the Fund. The amount reported also includes payments from the Fund in connection with the remission or mitigation of a forfeiture, in accordance with procedures outlined in 28 C.F.R. Part 9.

Assets Forfeiture Fund
Total Equitable Sharing



Asset Forfeiture Management Staff, JMD

Data current through 9/30/95

Equitable Sharing

The Attorney General has the authority to make equitable sharing payments from the Fund to state, local, and foreign law enforcement agencies for their assistance in conducting a successful forfeiture case. The equitable sharing payments reflect the degree of direct participation in the law enforcement effort resulting in the forfeiture. Equitable sharing serves to enhance law enforcement cooperation and effectiveness by investing the proceeds of forfeitures into enhanced law enforcement activities. The increased cooperation that the equitable sharing program has fostered among federal, state, local, and foreign law enforcement agencies has been highly successful and is a major factor in the dramatic growth of federal forfeitures.

In FY 1995, a total of $223.9 million in forfeited cash and $5 million in tangible property was shared with state and local law enforcement agencies. Of this amount, $194.9 million has been disbursed. Since the Program began in 1986, almost $1.6 billion in cash and tangible property have been reinvested into law enforcement efforts at the state and local levels and over $38.2 million in cash has been shared at the foreign government level. The sharing of funds supplements state and local resources without further taxing the public. The equitable sharing program is the cornerstone of the national and international drug enforcement effort.

International Sharing

Following legislation authorizing the Department of Justice to share forfeited property with cooperating foreign governments that assist in cases that lead to a forfeiture, the United States has entered into several international agreements and mutual legal assistance treaties, which contain provisions encouraging the sharing of forfeited property. To that end, the Department is authorized to share forfeited drug property or proceeds with foreign governments that participate directly or indirectly in the seizure and forfeiture of property under U.S. law pursuant to 21 U.S.C. § 881(e)(1)(E) and 18 U.S.C. § 981(i).

The Department of Justice continues its commitment to promoting international forfeiture cooperation and asset sharing with its international law enforcement partners as a way to attack serious transnational financial crime and drug trafficking. In FY 1995, the Program transferred more than $1.5 million in forfeited proceeds to six foreign countries that provided assistance in United States forfeiture cases. These countries include Switzerland, Canada, Israel, Guernsey, the Netherlands Antilles, and the Bahamas.

In 1991, an amendment of 28 U.S.C. § 524(c)(4)(B) allowed any forfeited proceeds shared with the United States by foreign governments to be deposited into the Fund. In FY 1995, the Isle of Jersey shared forfeited assets with the United States in the amount of $337,332.

End-of-Year Fund Balances

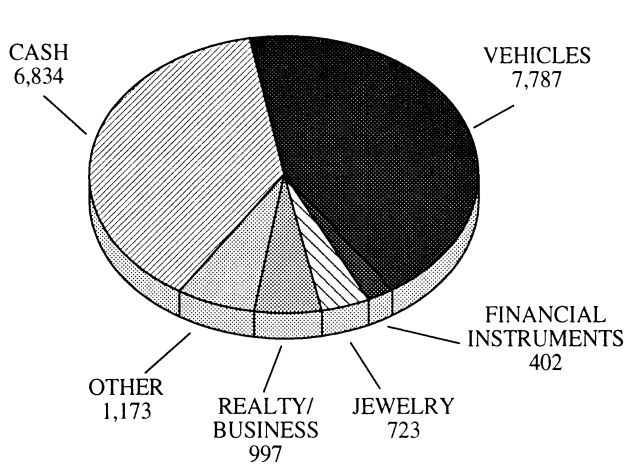
After paying out all expenses and adding in prior year adjustments, the Fund ended the fiscal year with a balance of $160.0 million. $90 million of this amount is committed balance, which includes BCCI interest of $33.8 million, BCCI principal of $28.2 million, FY 1992 super surplus of $600,000, and FY 1993 super surplus of $10.7 million, $16.2 million in *United States v. McNamara* assets to be paid to innocent third party interests during FY 1995 and $500,000 in interest payable to the Department of the Treasury Assets Forfeiture Fund. More than $9.3 million of the end-of-year fund balance is for obligated FY 1995 balances subject to delivery in FY 1996. Approximately $75 million will remain in the Fund to cover initial FY 1996 expenses.

Seized Assets Inventory

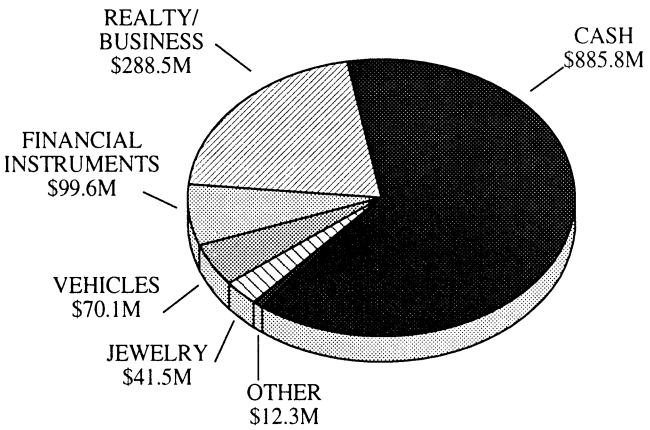
At the end of FY 1995, the inventory of seized assets held pending forfeiture consisted of more than 17,916 cash cases and properties valued at nearly $1.4 billion. This

inventory of seized property included 981 real properties and 16 businesses valued at $288.5 million. In addition to property, the end-of-year seized inventory included 6,834 cash cases. Seized cash is deposited into the Seized Asset Deposit Fund (SADF), a special holding account at the U.S. Treasury. The SADF ended the fiscal year with a balance of $618.2 million. The balance includes deposits in the amount of $289.3 million associated with the forfeiture of BCCI. Seized cash held as evidence and not deposited to the SADF totaled $15.9 million in FY 1995.

Seized Properties on Hand
Fiscal Year 1995



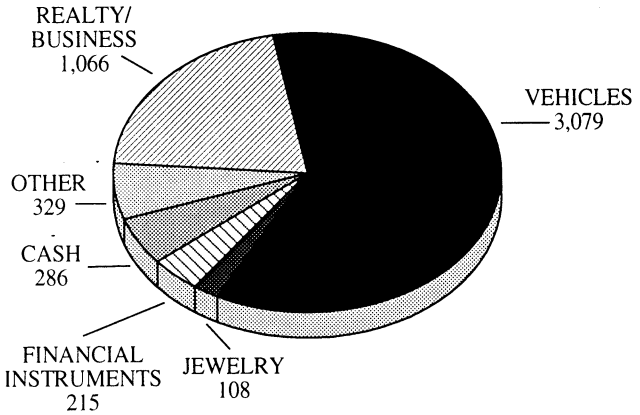
TOTAL NUMBER
17,916



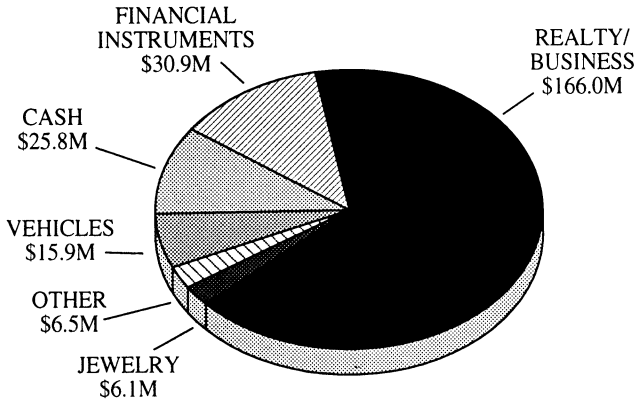
TOTAL VALUE
$1.398 BILLION

Note: These figures do not include any liens/claims that might have been placed on an asset. Further, the data contained herein was drawn from CATS & SAMS, independent of FMIS. The method employed for the valuation of cash within CATS & SAMS is different from the method used in FMIS; therefore, the cash figure shown here will not correspond to the figure shown in the financial statements.

Forfeited Properties on Hand
Fiscal Year 1995



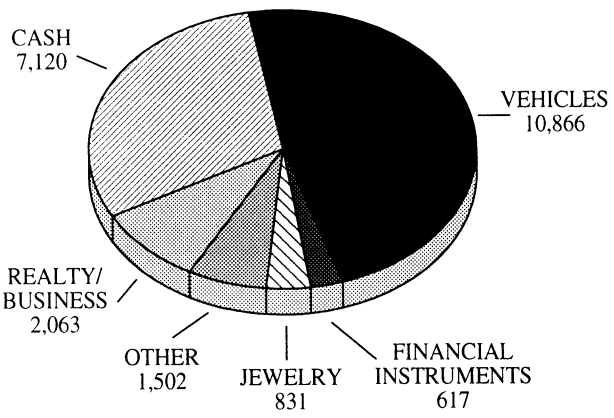
TOTAL NUMBER
5,083



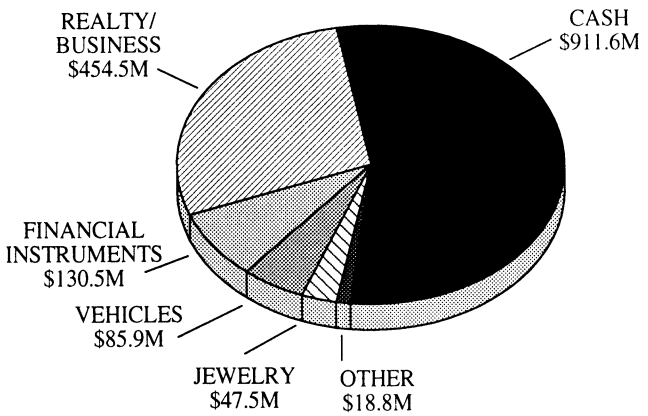
TOTAL VALUE
$251.2 MILLION

Note: These figures do not include any liens/claims that might have been placed on an asset. Further, the data contained herein was drawn from CATS & SAMS, independent of FMIS. The method employed for the valuation of cash within CATS & SAMS is different from the method used in FMIS; therefore, the cash figure shown here will not correspond to the figure shown in the financial statements.

Seized and Forfeited Properties on Hand
Fiscal Year 1995



TOTAL NUMBER
22,999



TOTAL VALUE
$1.649 BILLION

Note: These figures do not include any liens/claims that might have been placed on an asset. Further, the data contained herein was drawn from CATS & SAMS, independent of FMIS. The method employed for the valuation of cash within CATS & SAMS is different from the method used in FMIS; therefore, the cash figure shown here will not correspond to the figure shown in the financial statements.

Appendix A

DEPARTMENT OF JUSTICE ASSETS FORFEITURE FUND
STATEMENT OF RECEIPTS AND DISBURSEMENTS ACTIVITY
FISCAL YEAR 1995
(October 1, 1994 through September 30, 1995)

FUND BALANCE, START-OF-YEAR		**$120,189,478**
ADJUSTMENTS TO FUND BALANCE		
Less: Fy 1993 Super Surplus Authority	(9,711,296)	
Less: FY 1992 – FY 1994 Interest Earned on BCCI Funds **(a)**	(29,318,597)	
Less: FY 1994 BCCI Principal Deposit to the AFF **(a)**	(28,240,886)	
Less: McNamara unexpensed receipts **(b)**	(11,646,867)	
Total Adjustments	($78,917,646)	**(78,917,646)**
ADJUSTED BEGINNING BALANCE AVAILABLE FOR GENERAL OPERATIONS		**$41,271,832**
DEPOSITS		
From Forfeited Cash	$316,404,910	
From Sale of Forfeited Property	143,062,626	
From Payments in Lieu of Forfeiture	9,996,693	
From Investment Balances **(a)**	54,830,588	
From Recovery of Asset Management Costs	3,542,818	
From Other Federal Agencies	151,212	
From from USCS	1,537,316	
From Recovery of Expense for USCS Assets	16,077	
From Miscellaneous Income	1,817,009	
From BCCI Plea Agreement Proceeds **(b)**	233,046,761	
Gross Deposits	$764,406,010	
Less: Refunds **(b)**	(276,860,492)	
Net Deposits FY 1996	$487,545,518	
Less: FY Interest on BCCI Funds **(a)**	(4,479,298)	
Less: FY 1995 McNamara Unexpenses Receipts **(c)**	(4,543,394)	
Less: Interest Payable to the Treasury Forfeiture Fund	(485,140)	
Adjusted Available Income	478,037,686	**$478,037,686**
TOTAL AVAILABLE FOR GENERAL OPERATIONS		**$519,309,518**
EXPENSES OF PRODUCTION		
Asset Management and Disposal	($33,989,701)	
Payments to Third Parties	(40,170,810)	
Forfeiture Case Prosecution	(9,126,894)	
ADP Equipment	(24,074,268)	
Special Contract Services **1/**	(41,426,988)	
Forfeiture Training and Printing	(3,829,719)	
Other Program Management	(6,987,927)	
Total Forfeiture Program Expenses	(159,606,307)	**($159,606,307)**
EXCESS OF AVAILABILITY OVER EXPENSES		**$359,703,211**
DISTRIBUTION OF EXCESS REVENUES		
Equitable Sharing	($223,862,891)	
Awards for Information	(20,129,752)	
Purchase of Evidence	(8,924,763)	
Contract to ID Assets	(2,884,371)	
Equipping of Conveyances	(4,418,501)	
Storage, Protection and Destruction of Drugs	(722,335)	
Joint Law Enforcement Operations	(28,853,279)	
Total Distributions	(289,795,892)	**($289,795,892)**
REMAINING AVAILABILITY		**$69,907,319**
STATUS OF RESTRICTED BALANCES		
FY 1992 Super Surplus Remaining **(d)**		**635,274**
FY 1993 Super Surplus Remaining **(e)**		**10,745,758**
Accumulated Interest on BCCI Funds, net of refunds		**33,797,894**
Accumulated BCCI Net Income		**28,240,886**
Interest Payable to the Treasury Forfeiture Fund		**485,140**
McNamara Unexpensed Receipts **(b)**		**16,190,262**
Total Restricted Balances		**$90,095,215**
FUND BALANCE END-OF-YEAR		**$160,002,533**

Note: This statement reflects actual obligations as reported in the Department's official accounting reports as of September 30, 1995. Obligations are NOT adjusted to remove undelivered orders.

1/ Rounded for obligations to tie to the 9/30/95 E&A C-Stream

2/ $585 was added to ADP Equipment from the EOAF 1991 Capital Surplus category

DEPARTMENT OF JUSTICE ASSETS FORFEITURE FUND
FOOTNOTES TO THE STATEMENT OF RECEIPTS AND DISBURSEMENTS ACTIVITY
FISCAL YEAR 1995
(October 1, 1994 through September 30, 1995)

(a) Interest earned from the investment of proceeds relating to the BCCI forfeiture is limited to distribution by order of the court. Of the $54,830,588 interest earnings in FY 1995, $25,561,339 was earned from BCCI principal deposits and accumulated interest. In FY 1995, there was a court ordered disbursement of interest related to the BCCI case totaling $21,082,041 resulting in net BCCI interest earnings in FY 1995 of $4,479,298.

(b) The U.S. Goverment filed a successful motion to disburse unclaimed forfeited funds from assets identified in Round 1 and Round 2 of the BCCI Plea Agreement. The disbursement resulted in refunds of $10,000,000 to the State of New York and $244,128,802 to the World Wide Victims Fund (including $21,082,042 of interest accumulated in the AFF since fiscal year 1992). These refunds leave the amount of $182,416,834 forfeited to the U.S. Fund. Of the total amount disbursed to the U.S. Fund, $160,146,615 remains in the SADF in accordance with court order provisions and $22,270,219 remains in the AFF.

BCCI COURT ORDERED DISTRIBBUTIONS FOR ASSETS IDENTIFIED IN ROUND ONE AND ROUND TWO OF THE PLEA AGREEMENT:		
Total Principal Round 1 and Round 2 deposits (from the SADF)		$436,233,191
LESS: Pending Claims		(41,659,230)
LESS: Settled and Undistributed Claims		(1,380,585)
Total principal Round 1 and Round 2 deposits available for distribution		$393,193,376
Total interest earned on Round 1 and Round 2 deposits available for distribution	$48,292,543	
LESS: Interest earned on Pending and Settled and Undistributed Claims	(4,940,283)	
LESS: Interest earned on Distribution to State of New York deposit (To: U.S. Fund)	(1,188,177)	
Total interest earned on Round 1 & 2 deposits available for distribution		42,164,084
Grand Total interest earned on principal Round 1 & 2 deposits available for distribution		$435,357,460

	Remains in AFF/SADF	**Distributed**	**Total**
Round 1 & 2 Distributions to: **U.S. Fund**			
Distribution #1 (Remains in SADF)	($47,099,855)		($47,099,855)
Distribution #3 (Remains in SADF)	(113,046,761)		(113,046,761)
Total in SADF	($160,146,615)		($160,146,615)
Distribution #3 (State of New York)	0	(10,000,000)	(10,000,000)
Total Principal Distributions	($160,146,615)	($10,000,000)	($170,146,615)
Distribution #5 – Interest (Remains in AFF)	(21,082,042)	0	(21,082,042)
Total Round 1 & 2 U.S. Fund distributions	($181,228,657)	($10,000,000)	($191,228,657)
Round 1 & 2 Distributions to: **World Wide Victims Fund**			
Distribution #2	$0	($100,000,000)	($100,000,000)
Distribution #4	0	(123,046,761)	(123,046,761)
Total Principal Distributions	$0	($223,046,761)	($223,046,761)
Distribution #6 – Interest	0	(21,082,042)	(21,082,042)
Total Round 1 & 2 World Wide Victims Fund distributions	$0	($244,128,802)	($244,128,802)
Grand Total Round 1 & 2 U.S./WVF Fund distributions	($181,228,657)	($254,128,802)	($435,357,460)

Total BCCI Case Activity involving distributions to U.S. Fund and WVF	***U.S. Fund***	***WVF***	***Total***
Round 1 & 2 Principal and Interest	($191,228,657)	($244,128,802)	($435,357,460)
Round 3 Principal (Less: $5M capitalization payment)	(28,240,886)	0	($28,240,886)
Round 3 Principal distribution pending	(24,659,259)	0	($24,659,259)
Total Distributions	**($244,128,802)**	**($244,128,802)**	**($488,257,605)**

1/ $1,188,177 of interest associated with the distributed principal remains undistributed at this time.

(c) *McNamara Case – Balance of Unexpected Receipts*

McNamara Unexpensed Receipts 9/30/93			$17,500
McNamara Unexpensed Receipts 9/30/94			11,646,867
Subtotal			$11,664,367
FY 1995 activity:			
Sale of Forfeited Property	$27,512,086		
Cash Seized	140,000		
Income earned on seized property	0		
Subtotal McNamara Case Receipts		$27,652,086	
Third Party Payments	($21,160,509)		
Custodial Expenses	(837,594)		
Sales Expenses	(1,110,589)		
Subtotal McNamara Case Expenses		(23,108,692)	
FY 1995 McNamara Case activity			4,543,394
McNamara Unexpensed Receipts 9/30/95			**$16,190,261**

(d) **FY 1992 Super Surplus**

Unobligated Allocation, end of FY 1995			
Federal Bureau of Investigation			$468,792
Unallocated Surplus Authority			166,482
Balance, End of FY 1995			**$635,274**

(e) **FY 1993 Super Surplus**

Unobligated Allocation, end of FY 1995			
Immigration and Naturalization Service		$2,059,963	
Internal Revenue Service		3,000,000	
Drug Enforcement Administration		321,139	
Federal Bureau of Investigation		733,657	
Criminal Division		1,083,009	
U.S. Attorneys		1,252,923	
Subtotal Amounts Allocated but not Obligated			$8,450,691
Unallocated Surplus Authority			2,295,067
Balance, End of FY 1995			**$10,745,758**

(f) A portion of this balance totaling $160,002,533 is restricted to the following areas:

FUND BALANCE END–OF–YEAR			$160,002,533
Total BCCI Interest earned	($54,879,936)		
BCCI Interest Disbursed in FY 1995	21,082,042		
Subtotal BCCI Interest	($33,797,894)		
BCCI Principal Forfeited in FY 1994	(28,240,886)		
Subtotal BCCI Funds		($62,038,780)	
McNamara Unexpensed Receipts		(16,190,262)	
Interest Payable to the Treasury Forfeiture Fund		(485,140)	
FY 1992 Super Surplus		(635,274)	
FY 1993 Super Surplus		(10,745,758)	
Subtotal			(90,095,215)
Total Unrestricted Balance			**$69,907,319**

Appendix B

Department of Justice Assets Forfeiture Fund Summary of Receipts and Disbursement Activity Fiscal Year 1995

(October 1, 1994, through September 30, 1995)

Source of Receipts: $487,545,517

Total net deposits to the Fund in the amount of $487,545,517 consisted of forfeited cash of $316,404,910; proceeds from the sale of property of $143,062,626; payments in lieu of forfeiture of $9,996,693; net BCCI investment income of $4,479,298 ($25,561,339 interest earned less $21,082,041 interest disbursed); other investment income of $29,269,249; recovery of asset management costs of $3,558,895; transfers from other agencies of $1,688,528; miscellaneous income of $1,817,009; and less refunds totalling $22,731,691.

Liens and Mortgages: $40,170,810

A total of $40,170,810 in liens and mortgages was paid from the Fund. As a general rule, valid liens or mortgages are deducted from gross sales proceeds before the proceeds are deposited to the Fund. In accordance with procedures outlined in 28 C.F.R. Part 9, payments from the Fund in connection with the remission or mitigation of a forfeiture are also included in the amount reported.

Equitable Sharing: $223,862,891

Equitable sharing payments represent the transfer of portions of federally forfeited cash and sale proceeds to state and local law enforcement agencies and foreign governments that directly participated in an investigation and prosecution that resulted in forfeiture. Most task force cases, for example, result in property forfeitures whose proceeds are shared among the participating agencies. In FY 1995, a total of $223,862,891 in forfeited cash was shared with foreign, state, and local law enforcement agencies. In addition, the Department transferred forfeited property worth $5,044,370 to state and local law enforcement agencies through the equitable sharing program.

Estimated Value of Property Forfeited and Not Deposited into the Assets Forfeiture Fund in FY 1995: $225,380,000

In addition to the authority to sell forfeited property under the laws enforced or administered by the Department, the Attorney General is also authorized to retain forfeited property for official use, and to transfer forfeited property to another federal agency or to any state and local law enforcement agency that participated directly in the seizure and forfeiture of the property.

A total of $7,592,269 worth of conveyances and personal property were retained for official use by federal agencies participating in the Program. Of this amount, the following components retained conveyances and other tangible property for official use: DEA retained $2,584,958; the FBI retained $3,032,711; the INS kept $887,305; the USMS retained $515,477; the USPIS retained $178,373; and the USPP kept $30,375. In addition, $363,070 in forfeited property was transferred by the Department to non-participating federal agencies for official use.

In FY 1995, federally forfeited conveyances and other tangible property worth $5,044,370 were transferred to state and local law enforcement agencies that directly participated in an investigation and prosecution that resulted in forfeiture through equitable sharing.

Amount of Seized Cash Held as Evidence: $15,939,372

Most of the cash seized by the Department of Justice was used in or derived from violations of the Controlled Substances Act. A forfeiture proceeding determines that, alternatively, the money should be forfeited to the United States or returned to the person from whom it was seized or to another innocent party.

Department of Justice policy requires that, unless there are compelling reasons to retain seized cash as evidence in a criminal proceeding, it must be deposited into the SADF. The SADF ended the fiscal year with a balance of $618,230,358 including deposits associated with the forfeiture of the BCCI totalling $289,326,885.

A total of $15,939,372.37 in seized and forfeited cash not on deposit in the SADF as of September 1995 was held as evidence by the FBI ($12,807,831), DEA ($2,613,388), the USPIS ($515,153), and the USPP ($3,000). The Department of Justice's efforts, through periodic reviews of seized and forfeited cash not on deposit with the SADF, have resulted in significant progress toward improving the cash management practices among the participating agencies in the Program.

Appendix C

ASSETS FORFEITURE FUND
NET DEPOSITS
(by District)
as of September 30, 1995

#	JUDICIAL DISTRICT	CITY	FY 1985 – FY 1992	FY 1993	FY 1994	FY 1995	TOTAL TO DATE
1	ALABAMA	BIRMINGHAM	$9,981,292	$2,438,514	$1,959,375	$920,572	$15,299,753
2	ALABAMA	MONTGOMERY	3,095,399	1,235,146	1,820,291	835,887	6,986,723
3	ALABAMA	MOBILE	8,658,336	1,261,727	1,585,948	758,607	12,264,618
6	ALASKA	ANCHORAGE	7,755,709	3,318,037	1,421,460	1,891,509	14,386,715
8	ARIZONA	PHOENIX	33,896,825	10,305,239	7,998,808	7,349,883	59,550,755
9	ARKANSAS	LITTLE ROCK	4,667,589	929,389	1,358,785	420,345	7,376,108
10	ARKANSAS	FORT SMITH	2,060,040	1,031,970	545,556	221,630	3,859,197
11	CALIFORNIA	SAN FRANCISCO	57,296,233	6,538,265	7,846,887	4,670,121	76,351,506
12	CALIFORNIA	LOS ANGELES	263,829,167	34,142,552	41,617,732	43,294,329	382,883,779
97	CALIFORNIA	SACRAMENTO	21,045,570	3,003,264	4,161,053	1,797,363	30,007,251
98	CALIFORNIA	SAN DIEGO	97,806,707	21,514,095	12,781,726	8,889,948	140,992,476
13	COLORADO	DENVER	26,043,016	3,079,173	15,027,763	1,333,059	45,483,010
14	CONNECTICUT	NEW HAVEN	26,011,442	2,380,508	1,976,508	976,851	31,345,308
15	DELAWARE	WILMINGTON	5,029,934	652,750	794,971	943,799	7,421,455
16	DIST of COLUMBIA	WASH.,D.C.	4,795,779	2,619,824	1,667,638	1,368,413	10,451,655
4	FLORIDA	MIAMI	202,120,925	45,262,211	46,711,145	29,600,983	323,695,265
17	FLORIDA	PENSACOLA	12,229,052	1,859,427	8,076,923	16,453,626	38,619,028
18	FLORIDA	JACKSONVILLE	66,282,748	11,857,375	17,490,291	9,633,806	105,264,220
19	GEORGIA	ATLANTA	47,989,713	18,014,772	7,329,164	11,242,773	84,576,421
20	GEORGIA	MACON	9,431,680	1,299,642	603,370	540,311	11,875,004
21	GEORGIA	SAVANNAH	10,436,993	2,758,164	849,567	1,055,377	15,100,101
22	HAWAII	HONOLULU	23,119,888	5,433,227	5,814,153	1,668,077	36,035,345
23	IDAHO	BOISE	1,787,970	604,051	2,085,151	447,495	4,924,667
24	ILLINOIS	CHICAGO	53,664,362	14,729,722	9,364,787	11,049,249	88,808,119
25	ILLINOIS	E. ST. LOUIS	8,048,939	1,605,440	935,415	3,787,741	14,377,535
26	ILLINOIS	SPRINGFIELD	5,035,004	723,484	1,255,483	472,693	7,486,663
27	INDIANA	SOUTH BEND	7,497,708	683,344	2,217,030	4,926,674	15,324,757
28	INDIANA	INDIANAPOLIS	9,025,301	2,476,903	2,289,864	1,845,307	15,637,375
29	IOWA	CEDAR RAPIDS	1,803,650	565,970	310,084	999,130	3,678,834
30	IOWA	DES MOINES	3,410,209	1,478,826	1,486,871	1,170,218	7,546,125
31	KANSAS	TOPEKA	4,473,036	1,392,437	2,101,578	1,761,842	9,728,893
32	KENTUCKY	LEXINGTON	6,259,054	3,122,780	1,395,670	1,916,637	12,694,141
33	KENTUCKY	LOUISVILLE	5,012,295	1,505,983	1,009,958	776,470	8,304,705
34	LOUISIANA	NEW ORLEANS	19,199,956	3,979,251	3,269,005	4,030,501	30,478,713
35	LOUISIANA	SHREVEPORT	4,154,504	672,331	132,525	188,426	5,147,786
95	LOUISIANA	BATON ROUGE	3,207,158	88,347	96,579	128,290	3,520,373
36	MAINE	PORTLAND	5,782,293	611,990	362,494	491,923	7,248,700
37	MARYLAND	BALTIMORE	26,700,114	3,433,295	5,252,136	5,870,886	41,256,430
38	MASSACHUSETTS	BOSTON	29,417,829	10,939,352	3,618,461	2,928,956	46,904,598
39	MICHIGAN	DETROIT	42,502,422	14,228,436	10,673,080	8,103,062	75,507,001
40	MICHIGAN	GRAND RAPIDS	6,100,996	1,164,926	1,395,527	322,994	8,984,443
41	MINNESOTA	MINNEAPOLIS	13,615,498	2,493,776	4,953,913	3,136,649	24,199,837
42	MISSISSIPPI	OXFORD	4,483,574	693,875	235,492	170,506	5,583,447
43	MISSISSIPPI	JACKSON	6,911,671	1,984,296	1,071,944	2,039,606	12,007,517
44	MISSOURI	ST. LOUIS	19,455,118	5,103,920	3,083,127	4,134,988	31,777,153
45	MISSOURI	KANSAS CITY	9,557,010	3,356,872	4,038,801	1,322,493	18,275,177
46	MONTANA	BILLINGS	1,775,896	1,298,750	739,052	517,223	4,330,922
47	NEBRASKA	OMAHA	2,552,590	1,786,343	624,755	640,489	5,604,177
48	NEVADA	LAS VEGAS	21,173,942	2,630,650	2,509,070	3,790,646	30,104,309
49	NEW HAMPSHIRE	CONCORD	2,886,946	562,714	429,685	191,847	4,071,192
50	NEW JERSEY	NEWARK	18,080,113	6,119,580	1,990,552	5,883,310	32,073,555
51	NEW MEXICO	ALBUQUERQUE	13,773,321	3,149,228	6,567,905	3,845,412	27,335,867
52	NEW YORK	UTICA	9,448,226	2,455,920	2,089,301	2,421,649	16,415,096
53	NEW YORK	BROOKLYN	199,587,464	62,781,313	63,428,724	47,058,461	372,855,961
54	NEW YORK	NEW YORK	549,965,084	36,096,563	18,416,417	50,596,380	655,074,443
55	NEW YORK	BUFFALO	14,506,855	5,331,337	3,545,251	3,330,991	26,714,434
56	N.CAROLINA	RALEIGH	18,476,996	3,279,376	5,293,347	3,289,866	30,339,586
57	N.CAROLINA	GREENSBORO	10,382,139	4,064,845	1,618,575	1,185,788	17,251,347
58	N.CAROLINA	ASHEVILLE	11,113,356	4,704,214	3,994,578	3,601,959	23,414,108
59	N.DAKOTA	FARGO	433,836	168,457	51,587	3,544	657,423
60	OHIO	CLEVELAND	12,392,014	5,979,473	4,771,114	1,917,946	25,060,547
61	OHIO	CINCINNATI	17,457,069	5,554,467	3,784,694	3,293,267	30,089,497
62	OKLAHOMA	TULSA	5,816,866	1,240,722	203,429	1,081,750	8,342,767
63	OKLAHOMA	MUSKOGEE	1,785,350	680,777	1,273,704	468,384	4,208,215
64	OKLAHOMA	OK CITY	8,546,704	640,670	1,051,677	1,535,023	11,774,074
65	OREGON	PORTLAND	19,385,185	5,039,293	5,573,805	2,306,010	32,304,293
66	PENNSYLVANIA	PHILADELPHIA	35,446,033	8,866,396	13,246,986	5,211,865	62,771,281
67	PENNSYLVANIA	SCRANTON	15,373,374	731,103	1,079,890	375,371	17,559,738

ASSETS FORFEITURE FUND
NET DEPOSITS
(by District)
as of September 30, 1995

#	JUDICIAL DISTRICT	CITY	FY 1985 – FY 1992	FY 1993	FY 1994	FY 1995	TOTAL TO DATE
68	PENNSYLVANIA	PITTSBURGH	5,884,409	1,763,028	957,196	995,130	9,599,763
69	PUERTO RICO	SAN JUAN	35,898,165	6,726,421	9,179,300	11,709,001	63,512,887
70	RHODE ISLAND	PROVIDENCE	6,750,209	627,886	1,243,388	628,956	9,250,438
71	S.CAROLINA	COLUMBIA	13,445,095	2,032,596	2,279,568	4,581,782	22,339,041
73	S.DAKOTA	SIOUX FALLS	1,007,921	169,696	16,355	24,540	1,218,513
74	TENNESSEE	KNOXVILLE	4,625,731	1,715,629	670,244	2,338,856	9,350,460
75	TENNESSEE	NASHVILLE	7,366,373	2,131,478	1,495,780	980,056	11,973,687
76	TENNESSEE	MEMPHIS	9,895,479	3,684,008	2,273,987	1,755,684	17,609,157
77	TEXAS	DALLAS	37,645,481	14,163,623	7,543,735	18,161,183	77,514,023
78	TEXAS	TYLER	10,642,109	2,065,092	2,869,740	3,091,414	18,668,356
79	TEXAS	HOUSTON	109,878,698	29,305,549	30,154,061	23,294,000	192,632,308
80	TEXAS	SAN ANTONIO	46,865,626	12,302,150	6,208,278	5,790,292	71,166,345
81	UTAH	SALT LAKE CITY	3,759,112	2,383,654	1,835,185	63,564	8,041,514
82	VERMONT	BURLINGTON	4,429,275	1,061,344	733,377	376,242	6,600,239
83	VIRGINIA	NORFOLK	36,105,793	8,944,429	5,801,919	3,332,710	54,184,850
84	VIRGINIA	ROANOKE	6,418,764	1,673,650	2,597,823	2,409,880	13,100,117
85	WASHINGTON	SPOKANE	2,402,118	1,900,704	611,182	1,221,984	6,135,988
86	WASHINGTON	SEATTLE	18,986,846	5,681,840	4,979,585	2,408,074	32,056,345
87	WEST VIRGINIA	FAIRMONT	1,224,932	513,921	322,641	459,688	2,521,182
88	WEST VIRGINIA	CHARLESTON	4,764,705	857,934	139,470	203,455	5,965,564
89	WISCONSIN	MILWAUKEE	15,433,360	2,287,080	2,462,663	2,188,873	22,371,976
90	WISCONSIN	MADISON	2,605,321	514,682	613,045	451,796	4,184,844
91	WYOMING	CHEYENNE	1,535,884	606,694	107,181	53,877	2,303,636
5	N. MARIANA IS.		9,877	0	0	0	9,877
93	GUAM	AGANA	217,403	94,144	239,500	801,168	1,352,214
94	VIRGIN ISLANDS	ST. THOMAS	2,023,625	419,130	161,760	55,675	2,660,190
	OTHER		51,281,108	5,642,959	11,216,576	15,981,902	84,122,545
	INVESTMENT INCOME		41,808,835	15,001,615	16,999,708	29,269,249	103,079,407
		SUBTOTAL:	$2,713,961,319	$546,008,003	$508,071,436	$483,066,219	$4,251,106,977
	BCCI Investment		5,998,537	9,699,036	13,621,024	4,479,297 1/	33,797,894
	BCCI Income		0		28,240,886		28,240,886
		GRAND TOTAL:	$2,719,959,856	$555,707,039	$549,933,346	$487,545,517	$4,313,145,757

❶ These figures represent official accounting transactions. They do not reflect total forfeiture activity for any jurisdiction.

1/ The BCCI total interest earned in FY 95 is $25,561,338.83. In conjunction with the BCCI interest earned, there was a BCCI disbursement of i pursuant to court order signed 8/18/95 and filed 8/28/95 (Criminal No. 91–0655, Defendants 01–04). The transfer occurred in September 1 the amount of $21,082,041.45, resulting in net interest earned in FY 95 of $4,479,297.

Appendix D

ASSETS FORFEITURE FUND
EQUITABLE SHARING DISBURSEMENTS
FISCAL YEAR 1995
(by District)
September 30, 1995

#	JUDICIAL DISTRICT		CITY	FY 1986 – FY 1992	FY 1993	FY 1994	FY 1995	TOTAL TO DATE
1	ALABAMA	NORTHERN	BIRMINGHAM	$5,581,568	$1,311,897	$976,481	$526,573	$8,396,519
2	ALABAMA	MIDDLE	MONTGOMERY	1,797,331	504,663	1,259,968	346,095	3,908,057
3	ALABAMA	SOUTHERN	MOBILE	5,564,347	358,585	1,994,429	592,712	8,510,073
6	ALASKA		ANCHORAGE	2,873,045	946,531	446,016	196,172	4,461,764
8	ARIZONA		PHOENIX	12,042,054	4,722,630	3,309,863	1,556,330	21,630,877
9	ARKANSAS	EASTERN	LITTLE ROCK	3,508,558	689,946	997,761	301,377	5,497,642
10	ARKANSAS	WESTERN	FORT SMITH	834,330	747,003	457,205	152,621	2,191,159
11	CALIFORNIA	NORTHERN	SAN FRANCISCO	33,123,385	2,016,621	4,315,949	1,418,772	40,874,727
12	CALIFORNIA	CENTRAL	LOS ANGELES	165,063,682	20,762,701	12,942,324	24,580,116	223,348,823
97	CALIFORNIA	EASTERN	SACRAMENTO	13,265,282	1,527,477	2,302,345	869,573	17,964,677
98	CALIFORNIA	SOUTHERN	SAN DIEGO	34,059,949	9,226,957	2,213,836	3,224,759	48,725,501
13	COLORADO		DENVER	15,428,822	1,153,198	1,782,016	1,664,636	20,028,672
14	CONNECTCUT		NEW HAVEN	14,486,508	1,248,213	480,273	514,802	16,729,796
15	DELAWARE		WILMINGTON	3,054,807	516,896	407,945	689,725	4,669,373
16	DIST of COLUMBIA		WASH.,D.C.	5,797,516	316,416	797,396	206,256	7,117,584
4	FLORIDA	SOUTHERN	MIAMI	35,614,308	9,403,697	18,077,019	18,603,582	81,698,606
17	FLORIDA	NORTHERN	PENSACOLA	5,477,346	624,353	3,417,840	2,765,365	12,284,904
18	FLORIDA	MIDDLE	TAMPA	13,725,767	2,851,324	4,840,331	7,715,739	29,133,161
19	GEORGIA	NORTHERN	ATLANTA	19,598,020	5,813,391	5,395,960	3,391,450	34,198,821
20	GEORGIA	MIDDLE	MACON	5,140,460	1,298,000	509,541	398,867	7,346,868
21	GEORGIA	SOUTHERN	SAVANNAH	6,523,467	1,092,359	578,226	740,505	8,934,557
22	HAWAII		HONOLULU	6,352,795	3,698,756	1,124,111	1,755,873	12,931,535
23	IDAHO		BOISE	922,983	173,250	322,311	21,444	1,439,988
24	ILLINOIS	NORTHERN	CHICAGO	17,485,598	4,155,407	6,084,352	3,850,513	31,575,870
25	ILLINOIS	SOUTHERN	E. ST. LOUIS	4,721,750	1,092,832	770,296	1,651,056	8,235,934
26	ILLINOIS	CENTRAL	SPRINGFIELD	3,474,645	422,279	848,554	330,461	5,075,939
27	INDIANA	NORTHERN	SOUTH BEND	4,263,862	573,623	1,218,686	944,814	7,000,985
28	INDIANA	SOUTHERN	INDIANAPOLIS	4,088,775	1,639,917	1,068,517	1,469,246	8,266,455
29	IOWA	NORTHERN	CEDAR RAPIDS	1,265,316	354,337	236,354	276,773	2,132,780
30	IOWA	SOUTHERN	DES MOINES	1,813,869	1,194,296	951,150	861,685	4,821,000
31	KANSAS		TOPEKA	2,930,820	1,065,515	1,620,000	1,468,777	7,085,112
32	KENTUCKY	EASTERN	LEXINGTON	4,621,462	2,031,669	980,206	1,139,290	8,772,627
33	KENTUCKY	WESTERN	LOUISVILLE	2,681,639	603,656	1,062,616	324,561	4,672,472
34	LOUISIANA	EASTERN	NEW ORLEANS	7,967,855	2,342,430	1,917,471	2,596,096	14,823,852
35	LOUISIANA	WESTERN	SHREVEPORT	2,786,606	184,058	330,234	72,615	3,373,513
95	LOUISIANA	MIDDLE	BATON ROUGE	1,648,752	60,276	68,605	95,315	1,872,948
36	MAINE		PORTLAND	3,408,307	179,288	418,967	342,841	4,349,403
37	MARYLAND		BALTIMORE	12,444,146	1,996,056	2,798,498	3,020,555	20,259,255
38	MASSACHUSETTS		BOSTON	10,869,955	4,891,488	2,897,107	1,506,867	20,165,417
39	MICHIGAN	EASTERN	DETROIT	21,297,556	5,412,538	8,626,317	3,352,622	38,689,033
40	MICHIGAN	WESTERN	GRAND RAPIDS	3,224,940	565,289	785,686	359,042	4,934,957
41	MINNESOTA		MINNEAPOLIS	6,668,672	1,794,588	1,777,169	812,110	11,052,539
42	MISSISSIPPI	NORTHERN	OXFORD	1,749,241	142,752	161,164	127,433	2,180,590
43	MISSISSIPPI	SOUTHERN	JACKSON	4,536,822	1,343,592	802,542	1,406,521	8,089,477
44	MISSOURI	EASTERN	ST. LOUIS	13,701,803	4,009,317	2,620,028	3,297,276	23,628,424
45	MISSOURI	WESTERN	KANSAS CITY	6,632,434	2,130,886	2,827,322	949,836	12,540,478
46	MONTANA		BILLINGS	646,785	728,100	232,041	84,976	1,691,902
47	NEBRASKA		OMAHA	1,884,898	1,376,453	451,601	444,832	4,157,784
48	NEVADA		LAS VEGAS	8,722,749	2,177,746	757,505	1,475,257	13,133,257
49	NEW HAMPSHIRE		CONCORD	1,552,023	252,669	302,355	206,271	2,313,318
50	NEW JERSEY		NEWARK	5,781,368	2,532,266	2,044,760	994,556	11,352,950
51	NEW MEXICO		ALBUQUERQUE	6,538,165	2,243,430	1,778,367	1,837,479	12,397,441
52	NEW YORK	NORTHERN	UTICA	6,444,776	1,155,609	1,167,662	1,487,783	10,255,830
53	NEW YORK	EASTERN	BROOKLYN	89,739,345	13,818,369	18,396,167	17,466,873	139,420,754
54	NEW YORK	SOUTHERN	NEW YORK	29,286,025	5,980,475	12,122,704	11,436,186	58,825,390
55	NEW YORK	WESTERN	BUFFALO	10,665,049	2,092,358	3,167,336	1,133,086	17,057,829
56	N.CAROLINA	EASTERN	RALEIGH	11,414,939	1,446,143	1,687,506	1,968,616	16,517,204
57	N.CAROLINA	MIDDLE	GREENSBORO	8,182,238	2,267,580	1,433,757	582,727	12,466,302
58	N.CAROLINA	WESTERN	ASHEVILLE	6,874,491	1,719,374	2,640,341	2,061,066	13,295,272
59	N.DAKOTA		FARGO	268,487	56,961	45,888	395	371,731
60	OHIO	NORTHERN	CLEVELAND	6,669,522	1,994,601	3,117,140	1,669,836	13,451,099
61	OHIO	SOUTHERN	COLUMBUS	11,003,371	3,771,685	2,786,248	1,514,187	19,075,491
62	OKLAHOMA	NORTHERN	TULSA	3,994,504	394,360	289,241	287,745	4,965,850
63	OKLAHOMA	EASTERN	MUSKOGEE	691,695	268,366	216,137	137,034	1,313,232
64	OKLAHOMA	WESTERN	OK CITY	5,801,446	446,315	428,248	393,690	7,069,699
65	OREGON		PORTLAND	12,033,968	3,343,559	2,585,805	1,066,533	19,029,865
66	PENNSYLVANIA	EASTERN	PHILADELPHIA	7,438,333	1,477,374	2,758,843	3,254,065	14,928,615

ASSETS FORFEITURE FUND
EQUITABLE SHARING DISBURSEMENTS
FISCAL YEAR 1995
(by District)
September 30, 1995

#	JUDICIAL DISTRICT		CITY	FY 1986 – FY 1992	FY 1993	FY 1994	FY 1995	TOTAL TO DATE
67	PENNSYLVANIA	MIDDLE	SCRANTON	2,798,345	269,342	226,842	159,143	3,453,672
68	PENNSYLVANIA	WESTERN	PITTSBURGH	3,169,240	1,034,532	796,026	407,922	5,407,720
69	PUERTO RICO		SAN JUAN	5,633,109	1,354,748	2,824,734	3,025,047	12,837,638
70	RHODE ISLAND		PROVIDENCE	4,306,039	257,548	675,519	257,288	5,496,394
71	S.CAROLINA		COLUMBIA	10,584,717	1,341,711	1,270,523	1,448,488	14,645,439
73	S.DAKOTA		SIOUX FALLS	281,708	43,122	19,778	19,341	363,949
74	TENNESSEE	EASTERN	KNOXVILLE	2,580,191	1,133,165	612,124	1,540,198	5,865,678
75	TENNESSEE	MIDDLE	NASHVILLE	3,268,540	1,508,710	1,271,430	717,418	6,766,098
76	TENNESSEE	WESTERN	MEMPHIS	7,133,065	1,573,618	1,508,662	1,058,831	11,274,176
77	TEXAS	NORTHERN	DALLAS	22,319,143	7,294,356	5,858,296	3,917,897	39,389,692
78	TEXAS	EASTERN	TYLER	5,027,197	1,373,078	1,553,851	1,949,541	9,903,667
79	TEXAS	SOUTHERN	HOUSTON	40,516,626	7,891,817	11,995,661	12,094,364	72,498,468
80	TEXAS	WESTERN	SAN ANTONIO	21,997,833	5,852,060	4,359,626	3,037,631	35,247,150
81	UTAH		SALT LAKE CITY	2,415,559	1,131,784	437,450	242,163	4,226,956
82	VERMONT		BURLINGTON	2,041,558	920,647	428,627	231,173	3,622,005
83	VIRGINIA	EASTERN	NORFOLK	17,607,854	3,979,003	3,616,442	1,466,738	26,670,037
84	VIRGINIA	WESTERN	ROANOKE	4,087,199	1,160,470	1,278,282	1,133,379	7,659,330
85	WASHINGTON	EASTERN	SPOKANE	1,504,297	1,452,178	486,732	494,022	3,937,229
86	WASHINGTON	WESTERN	SEATTLE	4,138,187	1,494,278	1,112,802	1,021,486	7,766,753
87	WEST VIRGINIA	NORTHERN	FAIRMONT	740,795	140,949	428,247	433,756	1,743,747
88	WEST VIRGINIA	SOUTHERN	CHARLESTON	3,143,578	661,683	202,822	117,691	4,125,774
89	WISCONSIN	EASTERN	MILWAUKEE	8,160,294	1,682,609	1,733,798	1,329,063	12,905,764
90	WISCONSIN	WESTERN	MADISON	1,739,944	364,345	461,914	316,147	2,882,350
91	WYOMING		CHEYENNE	1,172,261	217,391	67,376	33,092	1,490,120
5	N. MARIANA IS.			0			0	0
93	GUAM		AGANA	68,337	70,329	85,896	614,041	838,603
94	VIRGIN ISLANDS		ST. THOMAS	277,305	39,155	10,834	19,120	346,414
	FOREIGN GOVT			12,369,471	11,364,985	8,662,478	5,796,228	38,193,162
	OTHER			1,700				1,700
	GRAND TOTALS:			**$978,839,424**	**$214,342,359**	**$220,217,411**	**$194,874,050**	**$1,608,273,244**

Appendix E

Properties on Hand as of September 30, 1995 with Equity Valued at $1 Million or More

Cash and Financial Instruments

JUDICIAL DISTRICT	CASE NUMBER	DESCRIPTION	APPRAISED VALUE	LIENS	EQUITY	STATUS
Northern District of California	3790-92-0069	Interest bearing account	$ 1,868,829	$ 0	$ 1,868,829	Pending forfeiture
Southern District of California	3780-94-0007	Bank account	$ 1,607,411	$ 0	$ 1,607,411	Forfeited
Northern District of Florida	91-10114	Promissory notes	$ 1,795,487	$ 0	$ 1,795,487	Forfeited, pending disposition
Northern District of Florida	92-40146	Promissory note	$ 1,000,000	$ 0	$ 1,000,000	Forfeited, pending disposition
Middle District of Florida	92-1050-CR-S/NY	Certificates of Deposit, Shares	$ 1,174,805	$ 0	$ 1,174,805	Forfeited, pending disposition
District of Massachusetts	CR-93-10149-Z	Certificates of Deposit, Shares	$ 3,200,000	$ 0	$ 3,200,000	Forfeited, pending disposition
District of Massachusetts	CR-93-10149-Z	Certificates of Deposit, Shares	$ 3,200,000	$ 0	$ 3,200,000	Forfeited, pending disposition
District of Minnesota	4-95-275	Financial Instrument	$ 2,400,000	$ 0	$ 2,400,000	Forfeited
District of Nevada	600-10924-04-FB(1)	Bank Account	$ 1,055,395	$ 0	$ 1,055,395	Pending forfeiture
Western District of Oklahoma	3580-96F-001	Bank Accounts	$ 2,017,361	$ 0	$ 2,017,361	Accounts restrained
District of South Carolina	CR-794-214	Promissory note	$ 3,500,000	$ 0	$ 3,500,000	Pending forfeiture
Northern District California	3790-93-0021	Cash	$ 1,917,054	$ 0	$ 1,917,054	Pending forfeiture
Central District of California	3410-95-0115J	Cash	$ 2,115,552	$ 0	$ 2,115,552	Forfeited
Central District of California	MQ-95-0004	Cash	$ 1,990,830	$ 0	$ 1,990,830	Forfeited
Central District of California	RI-95-0118	Cash	$ 2,255,124	$ 0	$ 2,255,124	Forfeited

Properties on Hand as of September 30, 1995
with Equity Valued at $1 Million or More

Cash and Financial Instruments

JUDICIAL DISTRICT	*CASE NUMBER*	*DESCRIPTION*	*APPRAISED VALUE*	*LIENS*	*EQUITY*	*STATUS*
Central District of California	RP-95-0082	Cash	$ 2,502,901	$ 0	$ 2,502,901	Pending forfeiture
Northern District of Florida	95-10125	Cash	$ 2,730,902	$ 0	$ 2,730,902	Forfeited
Middle District of Florida	83-131-CR-J	Cash	$ 4,217,822	$ 0	$ 4,217,822	Forfeited
Southern District of Florida	G1-92-0088	Cash	$ 2,164,635	$ 0	$ 2,164,635	Pending forfeiture
Southern District of Florida	G1-95-0323	Cash	$ 1,112,438	$ 0	$ 1,112,438	Pending forfeiture
Northern District of Illinois	C1-95-0199	Cash	$ 1,165,285	$ 0	$ 1,165,285	Pending forfeiture
Northern District of Illinois	I1-91-Z006	Cash	$ 2,836,718	$ 0	$ 2,836,718	Pending forfeiture
Eastern District of Michigan	I7-92-Z006	Cash	$ 1,264,410	$ 0	$ 1,264,410	Pending forfeiture
Eastern District of Missouri	IS-94-0020	Cash	$ 1,010,270	$ 0	$ 1,010,270	Pending forfeiture
District of New Jersey	3510-94-009	Cash	$ 2,669,665	$ 0	$ 2,669,665	Returned to FBI, pending judicial review
District of New Jersey	CT-94-0642	Cash	$ 2,002,773	$ 0	$ 2,002,773	Pending forfeiture
Eastern District of New York	CT-95-0075	Cash	$ 1,805,464	$ 0	$ 1,805,464	Pending forfeiture
Eastern District of New York	CV93-0624	Cash	$47,562,770	$ 0	$47,562,770	Pending forfeiture
Eastern District of New York	CV95-0064	Cash	$ 1,297,858	$ 0	$ 1,297,858	Pending forfeiture
Southern District of New York	91CR0655	Cash	$ 1,436,630	$ 0	$ 1,436,630	Forfeited, pending disposition
Southern District of New York	91CR0655	Cash	$50,448,135	$ 0	$50,448,135	Forfeited, pending disposition

Properties on Hand as of September 30, 1995
with Equity Valued at $1 Million or More

Cash and Financial Instruments

JUDICIAL DISTRICT	*CASE NUMBER*	*DESCRIPTION*	*APPRAISED VALUE*	*LIENS*	*EQUITY*	*STATUS*
Southern District of New York	91CR0655	Cash	$18,863,622	$ 0	$18,863,622	Forfeited, pending disposition
Southern District of New York	91CR0655	Cash	$51,713,215	$ 0	$51,713,215	Forfeited, pending disposition
Southern District of New York	91CR0655	Cash	$55,742,560	$ 0	$55,742,560	Forfeited, pending disposition
Southern District of New York	91CR0655	Cash	$99,999,999	$ 0	$99,999,999	Forfeited, returned to lienholder/third party
Southern District of New York	92CR455	Cash	$ 2,746,279	$ 0	$ 2,746,279	Forfeited, pending disposition
Southern District of New York	C1-96-0082	Cash	$ 5,042,766	$ 0	$ 5,042,766	Pending forfeiture
Southern District of New York	CT-94-0064	Cash	$ 1,377,321	$ 0	$ 1,377,321	Pending forfeiture
Southern District of New York	CT-94-0064	Cash	$ 2,002,773	$ 0	$ 2,002,773	Pending forfeiture
Eastern District of Pennsylvania	CK-92-0015	Cash	$ 1,170,786	$ 0	$ 1,170,786	Pending forfeiture
Eastern District of Pennsylvania	CR-92-373	Cash	$ 1,607,579	$ 0	$ 1,607,579	Pending forfeiture
Eastern District of Pennsylvania	CR-92-652	Cash	$ 2,000,000	$ 0	$ 2,000,000	Forfeited, a portion returned to third party
Eastern District of Pennsylvania	CR-95-00037	Cash	$ 2,000,000	$ 0	$ 2,000,000	Pending forfeiture
District of Puerto Rico	3800-95-011	Cash	$ 1,396,202	$ 0	$ 1,396,202	Pending forfeiture
Northern District of Texas	3-94-1008	Cash	$ 1,300,000	$ 0	$ 1,300,000	Forfeited, pending disposition
Northern District of Texas	MO-91-CR-0079	Cash	$ 2,300,000	$ 0	$ 2,300,000	Pending forfeiture
Southern District of Texas	M3-94-0041	Cash	$ 1,053,200	$ 0	$ 1,053,200	Pending forfeiture

Properties on Hand as of September 30, 1995 with Equity Valued at $1 Million or More

Real Property

JUDICIAL DISTRICT	*CASE* NUMBER	*DESCRIPTION*	*APPRAISED VALUE*	*LIENS*	*EQUITY*	*STATUS*
Central District of California	3410-92-054	717 North Palm Drive Beverly Hills, CA	$ 4,100,000	$ 0	$ 4,100,000	Pending forfeiture
Central District of California	3630-92-0032	3919 Las Flores Canyon Parcel 1 and 2 21202 Pacific Coast Hwy., Malibu, CA Vacant land	$ 1,155,000	$ 95,000	$ 1,060,000	Forfeited
Central District of California	R1-88-Z006	420 W. Lexington Drive Glendale, CA Multi-unit residence	$ 2,675,000	$ 0	$ 2,675,000	Interlocutory sale, funds deposited to interest bearing account per court order
Central District of California	SRP-582	344 Conway Avenue Los Angeles, CA Detached residence	$ 1,075,000	$ 0	$ 1,075,000	Pending forfeiture
Central District of California	3410-92-244	2132 Mission Ridge Santa Barbara, CA Detached residence	$ 1,550,000	$ 0	$ 1,550,000	Forfeited and sold for $1,900,000
Central District of California	3410-95-150	1156 Shadow Hills Way Beverly Hills, CA Detached residence	$10,000,000	$ 0	$10,000,000	Forfeited
Central District of California	R1-92-0153	24334 Malibu Road Malibu, CA Detached residence	$ 2,350,000	$ 731,937	$ 1,618,063	Forfeited
Central District of California	R1-92-0395	505-509 Sunset Avenue Venice, CA Multi-unit residence	$ 1,270,000	$ 0	$ 1,270,000	Consent judgment entered, receiving settlement payments
Eastern District of California	R7-93-0008	538 acres near New Chicago, Phymouth, Amador, CA	$ 1,055,000	$ 0	$ 1,055,000	Forfeited
Southern District of California	339220126 (IRS)	104 acres San Diego, CA Vacant land	$ 3,220,000	$ 0	$ 3,220,000	Forfeited

Properties on Hand as of September 30, 1995
with Equity Valued at $1 Million or More

Real Property

JUDICIAL DISTRICT	*CASE NUMBER*	*DESCRIPTION*	*APPRAISED VALUE*	*LIENS*	*EQUITY*	*STATUS*
Southern District of Florida	3460-91-113	212 Alexander Palm Road, Boca Raton, FL Detached residence	$ 1,200,000	$ 0	$ 1,200,000	Forfeited
Southern District of Florida	3620-91-126	3031 Brickell Avenue Miami, FL Detached residence	$ 2,700,000	$ 0	$ 2,700,000	Interlocutory sale
Southern District of Florida	G1-87-Z002	20600 SW 38th Street Ft. Lauderdale, FL Vacant land	$ 1,700,000	$ 0	$ 1,700,000	Amended judgment and final order of forfeiture
Southern District of Florida	GS-86-Z002	8500 NW 8th Street Miami, FL Multi-unit residence	$ 2,950,000	$ 0	$ 2,950,000	Pending forfeiture
Southern District of Florida	GS-86-Z002	8401-8425 NW 8th Miami, FL Multi-unit residence	$ 2,920,000	$ 0	$ 2,920,000	Pending forfeiture, intent to equitably share
Southern District of Florida	G1-87-Z002	7290 NW 77th Court Miami, FL Commercial	$ 1,730,000	$ 0	$ 1,730,000	Forfeited
Southern District of Florida	3460-92-061	4440 W. 16th Avenue Hialeah, FL Commercial	$ 1,100,000	$ 0	$ 1,100,000	Pending forfeiture
Southern District of Florida	3460-92-064	600 NW 42nd Avenue Miami, FL Commercial	$ 1,200,000	$ 0	$ 1,200,000	Pending forfeiture
Southern District of Florida	GS-91-Z006	2000 S. Dixie Hwy Miami, FL Commercial	$ 3,100,000	$ 0	$ 3,100,000	Forfeited
District of Hawaii	R4-95-0088	Smith and Hotel Streets Honolulu, HI Commercial	$ 2,660,000	$ 0	$ 2,660,000	Pending forfeiture
District of Hawaii	RA-86-ZOO1	Koloa Self Storage Koloa, Kauai, HI Commercial	$ 1,840,000	$ 198,001	$ 1,641,999	Forfeited

Properties on Hand as of September 30, 1995
with Equity Valued at $1 Million or More

Real Property

JUDICIAL DISTRICT	*CASE* NUMBER	*DESCRIPTION*	*APPRAISED VALUE*	*LIENS*	*EQUITY*	*STATUS*
Eastern District of Louisiana	C-C-91-53-MU	740 Esplanade Avenue New Orleans, LA Multi-unit residence	$ 1,800,000	$ 0	$ 1,800,000	Forfeited
Eastern District of Michigan	3220-92-043	74 Oxford Grosse Pointe Shore Wayne, MI Detached residence	$12,250,000	$ 0	$12,250,000	Case dismissed
District of New Jersey	CA-93-X031	78 Fox Hedge Road Saddle River Bergen, NJ Detached residence	$ 1,700,000	$ 0	$ 1,700,000	Pending forfeiture
Eastern District of NEW YORK	C1-88-0351	94-98 Mott Street New York, NY Commercial	$ 1,500,000	$ 0	$ 1,500,000	Interlocutory sale, proceeds deposited in interest bearing account
Eastern District of New York	3540-92-053	1256 Grand Street Brooklyn, NY Commercial	$ 1,705,000	$ 0	$ 1,705,000	Forfeited, stipulation order required property owners to sell property within 180 days. Owners failed, USMS is negotiating contract for sale
Southern District of New York	G5-90-X045	One East End Avenue New York, NY Townhouse/Condo	$1,150,000	$ 0	$ 1,150,000	Forfeited, listed for sale
Southern District of New York	C1-93-0059	538-560 West 165th Street, New York, NY Multi-unit residence	$ 2,700,000	$ 0	$ 2,700,000	Forfeited
Southern District of New York	3540-94-132	Kenmore Hotel 143-147 147 E. 23rd Street, New York, NY	$ 3,450,000	$ 0	$ 3,450,000	Forfeited

Properties on Hand as of September 30, 1995
with Equity Valued at $1 Million or More

Business, Ownership Interests, and Other Property

JUDICIAL DISTRICT	*CASE* NUMBER	*DESCRIPTION*	*APPRAISED VALUE*	*LIENS*	*EQUITY*	*STATUS*
Central District of California	87-879-S/FL(CR)	Bicycle Club	$34,200,000	$ 0	$34,200,000	Forfeited, pending disposition
Central District of California	MN-93-0019	Aircraft, 1977 Lockheed Jetstar II Corporate Jet	$ 2,000,000	$ 0	$ 2,000,000	Pending forfeiture
Central District of California	R1-94-0015	Aircraft, 1981 Learjet	$ 1,000,000	$ 0	$ 1,000,000	Forfeited, pending disposition
Southern District of California	MN-94-0018	Recreational vessel, 93 Broward	$ 4,500,000	$ 0	$ 4,500,000	Pending forfeiture
Middle District of Florida	95-1947-T	Foodstuff, cases of frozen shrimp	$ 3,666,435	$ 0	$ 3,666,435	Pending forfeiture
Southern District of New York	92-CR-585	Jewelry	$ 1,225,935	$ 0	$ 1,225,935	Forfeited and sold
Eastern District of Wisconsin	90-C-1827	Aircraft, Douglas DC-3 Turbo Prop	$ 1,750,000	$ 0	$ 1,750,000	Pending forfeiture, interlocutory sale
Eastern District of Wisconsin	90-C-1827	Aircraft, Douglas DC-3 Turbo Prop	$ 3,600,000	$ 0	$ 3,600,000	Pending forfeiture
Eastern District of Wisconsin	90-C-1827	Aircraft, Douglas DC-3 Turbo Prop	$ 2,250,000	$ 0	$ 2,250,000	Pending forfeiture
Eastern District of Wisconsin	90-C-1827	Aircraft, Douglas DC-3 Turbo Prop	$ 1,800,000	$ 0	$ 1,800,000	Pending forfeiture, interlocutory sale

Properties on Hand as of September 30, 1995
with Equity Valued at $1 Million or More

Summary Total

DESCRIPTION	*TOTAL APPRAISED VALUE*	*TOTAL LIENS*	*TOTAL EQUITY*	*TOTAL NUMBER*
Real Property	$ 77,805,000	$ 1,024,938	$ 76,780,062	29
Cash and Financial Instruments	$407,827,532	0	$407,827,532	48
Business, Ownership Interests, and Other Property	$ 55,992,370	0	$ 55,992,370	10
TOTAL	$541,624,902	$ 1,024,938	$540,599,964	87

Appendix F

Note: The accompanying financial statements represent the financial position and results of operations of the Assets Forfeiture Fund and the Seized Asset Deposit Fund. They do not include salaries and administrative expenses of the Asset Forfeiture Program participants. These financial statements are part of the FY 1995 Annual Financial Statement. The overview and supplemental financial and management information contained in the FY 1995 Annual Financial Statement have not been included in this report. The auditor's reports on the FY 1995 financial statement, along with the Reports on the Internal Control Structure and Compliance with Laws and Regulations, related solely to the FY 1995 Annual Financial Statement and not to the information contained in this report.

CERTIFIED PUBLIC ACCOUNTANTS
AND MANAGEMENT CONSULTANTS

BROWN & COMPANY

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

U.S. Department of Justice
Washington, D.C.

We have audited the accompanying statements of financial position of the Department of Justice Asset Forfeiture Program as of September 30, 1995 and 1994, and the related statements of operations and changes in net position, cash flows, and budget and actual expenses for the years then ended. We have also audited the combining statements of financial position as of September 30, 1995 and 1994. These financial statements are the responsibility of the U.S. Department of Justice. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards; *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 93-06, *Audit Requirements for Federal Financial Statements*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the principal financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Note 1, these financial statements were prepared in accordance with OMB Bulletin 94-01, *Form and Content of Agency Financial Statements*, which constitutes a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to in the first paragraph above present fairly, in all material respects, the financial position of the Department of Justice Asset Forfeiture Program as of September 30, 1995 and 1994, and the results of its operations and changes in net position, its cash flows, and budget and actual expenses for the years then ended in conformity with the basis of accounting described in Note 1. Also, in our opinion, the combining statements present fairly, in all material respect, the financial position of each of the individual funds comprising the Asset Forfeiture Program as of September 30, 1995 and 1994

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in conformity with the accounting policies described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued a report dated May 31, 1996, on our consideration of the Department of Justice Asset Forfeiture Program's internal control structure and a report dated May 31, 1996, on its compliance with laws and regulations.

Our audits were conducted for the purpose of forming an opinion on the principal financial statements described above. We have inspected the financial information presented in management's overview of the Asset Forfeiture Program and in the supplemental financial and management information. The information presented in the overview and supplemental financial and management information is provided for the purposes of additional analysis. Such information has not been audited by us and, accordingly, we do not express our opinion on this information.

Brown & Company

May 31, 1996
Arlington, Virginia

CERTIFIED PUBLIC ACCOUNTANTS
AND MANAGEMENT CONSULTANTS

BROWN & COMPANY

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL

U.S. Department of Justice
Washington, D.C.

We have audited the principal financial statements of the Department of Justice Asset Forfeiture Program as of and for the years ended September 30, 1995 and 1994, and have issued our report thereon dated May 31, 1996.

We conducted our audits in accordance with generally accepted auditing standards, *Government Auditing Standards*, issued by the Comptroller General of the United States, and Office of Management and Budget (OMB) Bulletin No. 93-06, *Audit Requirements for Federal Financial Statements*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the principal financial statements are free of material misstatement.

The management of the Asset Forfeiture Program is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of the principal financial statements in accordance with OMB Bulletin 94-01, *Form and Content of Agency Financial Statements*. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of the policies and procedures may deteriorate.

In planning and performing our audits of the principal financial statements of the Asset Forfeiture Program for the years ended September 30, 1995 and 1994, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing

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procedures for the purpose of expressing our opinion on the principal financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

We noted a matter involving the internal control structure and its operation that we consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants and OMB Bulletin 93-06. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the Department of Justice's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

Improper Classification of Unliquidated Obligations

At the end of each fiscal year, the Asset Forfeiture Management Staff (AFMS) reviews recorded expenses and unliquidated obligations under the Assets Forfeiture Fund and prepares adjustments to reclassify transactions recorded by the various Department of Justice organizations that participate in the Asset Forfeiture Program (AFP). For the preparation of the FY 1995 financial statements, the AFMS reclassified to delivered order status unliquidated obligations of $3,124,558 which were recorded by the United States Marshals Service as undelivered orders. Unliquidated obligations reclassified by the AFMS from undelivered to delivered order status for the FY 1994 financial statements totalled $ 9,049,860. Had the AFMS not reclassified the unliquidated obligations, expenses and liabilities reported on the financial statements would have been understated by these amounts. Significant year-end adjustments by the AFMS should not be necessary for the preparation of accurate financial statements.

Recommendation 1

We recommend that the AFMS develop a corrective action plan to resolve this issue. The plan should address both short-term and long-term solutions as needed, and should be communicated to all AFP participants to ensure that transactions affecting the financial statements are properly recorded to report financial activity relative to the Asset Forfeiture Program accurately.

A material weakness is a reportable condition in which the design or operation of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we do not believe the reportable condition described above to be a material

weakness.

We also noted other matters involving the internal control structure of the Department of Justice Asset Forfeiture Program that we have reported to the Justice Management Division in a separate letter dated May 31, 1996.

This report is intended for the information of the management of the U.S. Department of Justice. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Brown & Company

May 31, 1996
Arlington, Virginia

CERTIFIED PUBLIC ACCOUNTANTS
AND MANAGEMENT CONSULTANTS

BROWN & COMPANY

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE

U.S. Department of Justice
Washington, D.C.

We have audited the principal financial statements of the Department of Justice Asset Forfeiture Program as of and for the years ended September 30, 1995 and 1994, and have issued our report thereon dated May 31, 1996.

We conducted our audits in accordance with generally accepted auditing standards, *Government Auditing Standards*, issued by the Comptroller General of the United States, and the Office of Management and Budget (OMB) Bulletin No. 93-06, *Audit Requirements for Federal Financial Statements*. Those standards require that we plan and perform the audit to obtain reasonable assurance that the principal financial statements are free of material misstatement.

Compliance with laws and regulations applicable to the Asset Forfeiture Program is the responsibility of the U.S. Department of Justice. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of compliance with laws and regulations designated by OMB and the U.S. Department of Justice. As part of our audits, we reviewed management's process for evaluating and reporting on internal control and accounting systems as required by the Federal Managers' Financial Integrity Act and compared the agency's most recent reports required by the Act with the evaluation we conducted of the Asset Forfeiture Program's internal control structure. We also reviewed and tested the Asset Forfeiture Program's policies, procedures, and systems for documenting and supporting financial, statistical, and other information presented in the overview and supplemental financial and management information. However, providing an opinion on overall compliance with such provisions was not an objective of our audit of the financial statements. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported herein under *Government Auditing Standards*.

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This report is intended for the information of the management of the U.S. Department of Justice. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Brown & Company

May 31, 1996
Arlington, Virginia

DEPARTMENT OF JUSTICE
Asset Forfeiture Program
Statement of Financial Position
as of September 30, 1995 and 1994

Dollars in Thousands	1995	1994
ASSETS		
Entity Assets:		
Intragovernmental Assets:		
Fund Balance with U.S. Treasury (Note 2)	$188,908	$541,308
Refunds Receivable - Federal	0	1
Investments - Federal Securities, Net (Note 3)	292,933	0
Governmental Assets:		
Travel Advances	2	1
Forfeited Property - Net (Note 4)	183,886	221,147
Total Entity Assets	**$665,729**	**$762,457**
Non-Entity Assets:		
Fund Balance with U.S. Treasury (Note 2)	$71,040	$867,769
Investments - Federal Securities, Net (Note 3)	547,190	0
Total Non-Entity Assets	**$618,230**	**$867,769**
Total Assets	$1,283,959	$1,630,226
LIABILITIES		
Liabilities Covered by Budgetary Resources:		
Intragovernmental Liabilities:		
Accounts Payable (Note 6)	$7,478	$2,589
Governmental Liabilities:		
Accounts Payable (Note 6)	304,516	411,722
Accrued Payroll	569	0
Unexpended Prior Year Surplus	9,000	0
Deferred Revenue (Note 4)	183,886	221,147
Deposit Fund (Note 7)	618,230	867,769
Total Liabilities	**$1,123,679**	**$1,503,227**
NET POSITION (Note 8)		
Cumulative Results of Operations	$95,746	$69,439
Cumulative Results of Operations, Unallocated Prior Year Surplus	2,461	0
Cumulative Results of Operations, BCCI Income Subject to Court Order	62,073	57,560
Net Position	**$160,280**	**$126,999**
Total Liabilities & Net Position	$1,283,959	$1,630,226

The accompanying notes are an integral part of these financial statements.

DEPARTMENT OF JUSTICE
Asset Forfeiture Program
Statement of Operations and Changes in Net Position
for fiscal years ended September 30, 1995 and 1994

Dollars in Thousands	1995	1994
Revenue		
Federal Sources:		
Investment Income (Note 9)	$54,831	$30,621
Public Sources:		
Forfeited Cash (Note 10)	$551,156	$351,220
Sales of Forfeited Property	143,063	169,511
Penalties in Lieu of Forfeiture	9,997	33,834
Recovery of Returned Asset Management Costs	3,543	2,621
Forfeited Property Revenue (Note 11)	12,637	21,741
Miscellaneous Income	1,817	2,682
Return of Forfeiture Income (Note 12)	(276,860)	(40,556)
Total Revenue	$500,184	$571,674
Expenses (Note 13)		
Forfeiture Program Expenses:		
Payments to Innocent Third Parties	$40,171	$49,616
Asset Management Expenses	36,536	42,684
Special Contract Services	41,375	35,329
ADP Equipment	21,508	25,707
Forfeiture Case Prosecution	9,104	10,742
Forfeiture Training and Printing	3,945	3,993
Other Program Management	6,921	2,058
Total Forfeiture Program Expenses	$159,560	$170,129
Distribution of Revenues:		
Equitable Sharing Payments	$223,863	$234,625
Awards for Information	20,130	22,839
Purchase of Evidence	8,925	10,452
Equipping of Conveyances and Miscellaneous	2,801	17,621
Joint Law Enforcement Operations	28,853	10,444
Contracts to Identify Assets	2,884	2,845
Transfers of Forfeited Property Revenue (Note 11)	12,637	21,741
Total Distributions	$300,093	$320,567
Total Expenses and Distributions	$459,653	$490,696
Excess of Revenues over Expenses and Distributions	$40,531	$80,978
Net Position, Beginning Balance	126,999	138,791
Allocation of Prior Year Surplus (Note 14)	(7,250)	(59,930)
Transfers	0	(32,840)
Net Position, Ending Balance	$160,280	$126,999

The accompanying notes are an integral part of these financial statements.

DEPARTMENT OF JUSTICE
Asset Forfeiture Program
Statement of Cash Flows
for fiscal years ended September 30, 1995 and 1994

Dollars in Thousands	1995	1994
Cash Provided (Used) by Operating Activities:		
Cash from Forfeited Assets, Penalties and Recoveries, Net	$432,716	$519,313
Investment Income (Note 9)	54,831	30,621
Cash Paid to Vendors and Other Agencies	(548,755)	(296,563)
Interest Paid to Vendors and Other Agencies	(9)	(12)
Change in Prior Year Surplus Obligations	1,750	(59,930)
Cash Transferred to Other Agencies, Net	0	(32,840)
Net Cash Provided (Used) by Operating Activities	**($59,467)**	**$160,589**
Cash Provided (Used) by Investing Activities:		
Sale of Investment Securities	$0	$291,651
Purchase of Investment Securities	(292,933)	0
Net Cash Provided (Used) by Investing Activities	**($292,933)**	**$291,651**
Net Cash Provided by Operating and Investing Activities	**($352,400)**	**$452,240**
Fund Balance with U.S. Treasury, Beginning of Year	**541,308**	**89,068**
Fund Balance with U.S. Treasury, End of Year	**$188,908**	**$541,308**

Reconciliation of Excess Revenue over Expenses and Distributions to Net Cash Provided by Operating Activities

Excess of Revenues over Expenses and Distributions	$40,531	$80,978
Increase (Decrease) in Accounts Payable	(101,748)	172,380
Decrease (Increase) in Travel Advances	(1)	2
Decrease (Increase) in Refunds Receivable	1	(1)
Change in Prior Year Surplus Obligations (Note 14)	1,750	(59,930)
Transfers	0	(32,840)
Net Cash Provided by Operating Activities	**($59,467)**	**$160,589**

The accompanying notes are an integral part of these financial statements.

DEPARTMENT OF JUSTICE
Asset Forfeiture Program
Statement of Budget and Actual Expenses
for fiscal years ended September 30, 1995 and 1994

Dollars in Thousands	*1995*	*1994*
Budget Resources (SF-133, Line 7)	**$527,054**	**$594,323**
Budget Obligations, Direct (SF-133, Line 8)	$460,949	$527,181
Decrease (Increase) in Undelivered Orders	(2,466)	1,704
Forfeited Property (Note 11)	12,637	21,741
Adjustment to Expenses	(13,217)	0
Change in Prior Year Surplus Obligations	1,750	(59,930)
Actual Expenses and Distributions	**$459,653**	**$490,696**

Budget Reconciliation:

Total Expenses and Distributions (Statement of Operations)	$459,653	$490,696
Audit Adjustments	11,852	9,049
Forfeited Property (Note 11)	(12,637)	(21,741)
Change in Prior Year Surplus Obligations	(1,750)	59,930
Total Budgetary Accrued Expenditures, Direct (SF-133, Line 16)	**$457,118**	**$537,934**

The accompanying notes are an integral part of these financial statements.

DEPARTMENT OF JUSTICE
Asset Forfeiture Program
Combining Statement of Financial Position
as of September 30, 1995 and 1994

Dollars in Thousands	1995			1994		
	AFF	SADF	Total	AFF	SADF	Total
ASSETS						
Entity Assets:						
Intragovernmental Assets:						
Fund Balance with U.S. Treasury (Note 2)	$188,908	$0	$188,908	$541,308	$0	$541,308
Refunds Receivable - Federal	0	0	0	1	0	1
Investments, Net (Note 3)	292,933	0	292,933	0	0	0
Governmental Assets:						
Travel Advances	2	0	2	1	0	1
Forfeited Property, Net (Note 4)	183,886	0	183,886	221,147	0	221,147
Total Entity Assets	**$665,729**	**$0**	**$665,729**	**$762,457**	**$0**	**$762,457**
Non-Entity Assets:						
Fund Balance with U.S. Treasury (Note 2)	$0	$71,040	$71,040	$0	$867,769	$867,769
Investments, Net (Note 3)	0	547,190	547,190	0	0	0
Total Non-Entity Assets	**$0**	**$618,230**	**$618,230**	**$0**	**$867,769**	**$867,769**
Total Assets	$665,729	$618,230	$1,283,959	$762,457	$867,769	$1,630,226
LIABILITIES						
Liabilities Covered by Budgetary Resources:						
Intragovernmental Liabilities:						
Accounts Payable (Note 6)	$7,478	$0	$7,478	$2,589	$0	$2,589
Governmental Liabilities:						
Accounts Payable (Note 6)	304,516	0	304,516	411,722	0	411,722
Accrued Payroll	569	0	569	0	0	0
Unexpended Prior Year Surplus	9,000	0	9,000	0	0	0
Deferred Revenue (Note 4)	183,886	0	183,886	221,147	0	221,147
Deposit Fund (Note 7)	0	618,230	618,230	0	867,769	867,769
Total Liabilities	**$505,449**	**$618,230**	**$1,123,679**	**$635,458**	**$867,769**	**$1,503,227**
NET POSITION (Note 8)						
Cumulative Results of Operations	$95,746	$0	$95,746	$69,439	$0	$69,439
Cumulative Results of Operations, Unallocated Prior Year Surplus	2,461	0	2,461	0	0	0
Cumulative Results of Operations, BCCI Income Subject to Court Order	62,073	0	62,073	57,560	0	57,560
Net Position	**$160,280**	**$0**	**$160,280**	**$126,999**	**$0**	**$126,999**
Total Liabilities & Net Position	$665,729	$618,230	$1,283,959	$762,457	$867,769	$1,630,226

The accompanying notes are an integral part of these financial statements.

Department of Justice
Asset Forfeiture Program
Notes to Principal Financial Statements

Note 1. Summary of Significant Accounting Policies

Basis of Presentation

These financial statements have been prepared to report the financial position and results of operations of the Asset Forfeiture Program, including the Assets Forfeiture Fund (AFF) and the Seized Asset Deposit Fund (SADF), as required by the Chief Financial Officers Act of 1990. The statements have been prepared from the books and records of the Asset Forfeiture Program in accordance with Office of Management and Budget (OMB) Bulletin 94-01, Form and Content of Agency Financial Statements, dated November 16, 1993, and the Asset Forfeiture Program accounting policies which are summarized in these notes. These statements are therefore different from the financial reports, also prepared by the Asset Forfeiture Program pursuant to Office of Management and Budget directives, used to monitor and control the program's use of budgetary resources. The Statement of Cash Flows was prepared using the direct method.

Reporting Entity

The Asset Forfeiture Program is a nationwide law enforcement program administered by the Department of Justice. The Program is comprised of the following: the Drug Enforcement Administration, the Federal Bureau of Investigation, the Immigration and Naturalization Service, the U.S. Marshals Service, the U.S. Attorneys, and the Asset Forfeiture and Money Laundering Section, Criminal Division. The U.S. Postal Inspection Service, the Food and Drug Administration, and the U.S. Park Police are non-Department of Justice participants in the program.

The accompanying financial statements include the accounts of the AFF and the SADF. The AFF is a special fund and is listed in the U.S. Treasury Federal Account Symbols and Titles as 15X5042. The cash balance in the AFF is considered an entity asset. The SADF is a deposit fund and is listed in the U.S. Treasury Federal Account Symbols and Titles as 15X6874. Seized cash is deposited and accounted for in the SADF until a determination has been made as to its disposition. If title passes to the U.S. Government, the forfeited cash is then transferred from the SADF to the AFF. The cash balance in the SADF is not available to finance the Asset Forfeiture Program activities, and is considered a non-entity asset. Pursuant to 28 U.S.C. § 524 (C), idle SADF and AFF cash is invested in U.S. Treasury securities and the income derived is deposited in the AFF. The earnings on Bank of Credit and Commerce International (BCCI) funds held by the SADF and AFF are tracked separately due to special disposition requirements. Most noncash property is held by the U.S. Marshals Service from the point of seizure until disposition. In certain cases, the investigative agency will keep seized property in custody if the intention is to place the property into official use. If title passes to the U.S. Government, the proceeds from the sale of forfeited property are deposited in the AFF.

The accompanying financial statements of the Asset Forfeiture Program do not include the salaries and administrative expenses incurred by the Asset Forfeiture Program participants while conducting investigations leading to seizure and forfeiture. Salaries are paid out of the AFF for the Asset Forfeiture Management Staff (AFMS) and administrative costs are paid for the U.S. Marshals Service and AFMS. There are no operating expenses charged to the SADF.

Budgets and Budgetary Accounting

All proceeds deposited to the AFF are available to the Attorney General without fiscal year limitation (permanent indefinite budget authority), except for the amounts specified in the Department of Justice annual appropriations act which are subject to fiscal year limitation (current definite budget authority). All cash for AFF budget authority is derived from proceeds of the Asset Forfeiture Program.

Basis of Accounting

Transactions are recorded on both a proprietary and budgetary basis. Expenses are recorded on an accrual basis of accounting whereby expenses are accrued when goods have been delivered or when services have been rendered. Under the accrual method, expenses are recognized when a liability is incurred, without regard to payment of cash. Budgetary accounting facilitates compliance with legal constraints and controls over the use of federal funds.

Accounting Principles and Standards

Until a sufficiently comprehensive set of accounting standards is agreed to and published by the Joint Financial Management Improvement Program (JFMIP) principals, which will constitute generally accepted accounting principles for the Federal Government, the following hierarchy shall constitute an other comprehensive basis of accounting used for preparing these financial statements:

1. Individual standards developed by the Federal Accounting Standards Advisory Board and agreed to and published by the JFMIP principals.

2. Form and content requirements included in OMB Bulletin 94-01.

3. Accounting standards contained in agency accounting policy, procedures manuals, and/or related guidance as of March 29, 1991.

4. Accounting principles published by authoritative standard setting bodies and other authoritative sources (1) in the absence of other guidance in the first three parts of this hierarchy, and (2) if the use of such accounting standards improve the meaningfulness of these financial statements.

Revenues and Other Financing Sources

Revenue is recognized when cash has been forfeited or proceeds have been deposited from the sale of forfeited property under: (a) any criminal proceeding; (b) any civil judicial forfeiture proceeding; or (c) any civil administrative forfeiture proceeding conducted by the Department of Justice. Revenue from the forfeited property is recognized when the property is: (a) placed into official use; (b) transferred to another federal government agency; (c) distributed to a state or local law enforcement agency; or (d) distributed to a foreign government. No revenue recognition is given to any cash deposited in the SADF which remains subject to forfeiture.

The funds in the AFF are primarily derived from forfeited cash, proceeds from the sale of forfeited property, interest earned on investments, payment of penalties in lieu of forfeiture, and recovery of asset management expenses. The funds in the SADF are seized cash held in trust until a determination has been made as to the disposition. This cash includes seized cash, proceeds from preforfeiture sales of seized property, and income from property under seizure.

Liabilities

Liabilities represent the amount of monies or other resources that are due to be paid by the Asset Forfeiture Program as the result of a transaction or event that has already occurred. Asset Forfeiture Program accounts payable are due principally to nonfederal government entities and are funded by the permanent indefinite portion of the AFF. These liabilities may be met without further appropriation action. All liabilities are therefore classified as Liabilities Covered by Budgetary Resources.

Transfers

Transfers are cash flows out of the AFF to other appropriation accounts of the Treasury. Such transfers of cash require statutory authority. The AFF receives its transfer authority from Public Law No. 100-690, as amended. During FY 1995, no funds were transferred from the fund.

Interest Paid On Late Payments

The Prompt Payment Act, 31 U.S.C. § 3901-3907, requires Federal agencies to pay interest on payments for goods and services made to business concerns after the due date. Payments made pursuant to this law amounted to $9 thousand and $12 thousand in FYs 1995 and 1994 respectively.

Note 2. Fund Balance with U.S. Treasury

The amounts reported for FYs 1995 and 1994 represent the unexpended cash balance on the Department's books at September 30 of each FY presented. The variance from the U.S. Treasury balance for account Symbols 15X5042 (AFF) and 15X6874 (SADF) at September 30, 1995, are $16 thousand and $2 thousand, respectively, which represents Cash in Transit for disbursements on the Department's books.

The following schedule reconciles the difference between the AFF and SADF balance per the Statement of Financial Position with the Treasury balance.

Dollars in Thousands	*1995*		*1994*	
	AFF	SADF	AFF	SADF
Obligated Balance	$28,921	$0	$420,994	$0
Unobligated Balance:				
Available	70,060	0	41,289	0
Restricted	89,943	71,042	78,900	867,771
Fund Balance with Treasury per Treasury	**$188,924**	**$71,042**	**$541,183**	**$867,771**
Cash In Transit	(16)	(2)	125	(2)
Fund Balance with Treasury per Asset Forfeiture Program	**$188,908**	**$71,040**	**$541,308**	**$867,769**

Asset Forfeiture Program funds held outside the U.S. Treasury as of September 30, 1995, and 1994, were $15.9 million and $10.9 million, respectively. These figures were reported by the investigative agencies maintaining custody of the assets. The funds held outside the U.S. Treasury represent cash held as evidence and are not presented elsewhere in these financial statements.

Note 3. Investments

Investments are short term, nonmarketable, par value Federal debt securities issued by the Bureau of the Public Debt and purchased exclusively through Treasury's Financial Management Service. Investments are recorded at cost. Discounts are recorded for the full amount earned at maturity. No investments are made in nonfederal securities. At September 30, 1995, investments represent 28 day, 5.02 percent and 14 day, 5.09 percent interest bearing U.S. Treasury bills. The following schedule shows the investment balance at

September 30, 1995.

Dollars in Thousands	*Investments*	*(Discount)*	*Investments Net*
FY 1995			
Assets Forfeiture Fund	$293,965	($1,032)	$292,933
Seized Asset Deposit Fund	548,775	(1,585)	547,190
Total Investments	**$842,740**	**($2,617)**	**$840,123**

Note 4. Forfeited Property, Net

Forfeited property consists of monetary instruments, real property, and tangible personal property acquired through forfeiture proceedings. Forfeited property (net of cash) is held for disposition by the U.S. Marshals Service. This property is recorded at the estimated fair-market value at time of forfeiture, with an offsetting deferred revenue when forfeiture judgment is obtained. The net value of this property has been reduced by estimated liens of record. However, the estimate does not reflect all possible liens and claims of innocent third parties. Such information becomes available as the individual cases proceed from seizure to forfeiture. The following tables represent the analysis of change and methods of disposition of forfeited property for FY 1995. With regard to the following tables, Forfeited Property represents assets for which the U.S. Government has title. The financial information supporting the figures presented in the following schedules was provided by the Seized Assets Management System (SAMS) and the Consolidated Asset Tracking System (CATS). SAMS provided data from 81 districts and CATS provided data from 13 districts. Both systems are separate and distinct from the general ledger.

Analysis of the Change in Forfeited Property - FY 1995

Dollars in Thousands

Property Category		*Beginning Balance*	*Forfeitures*	*Dispositions*	*Ending Balance*	*Liens/ Claims*
Aircrafts	#	30	22	34	18	5
	$ value	16,402	4,982	17,223	4,161	1,718
Animals	#	1	1	2	0	0
	$ value	70	70	140	0	0
Art & Antiques	#	35	25	51	9	0
	$ value	603	403	678	328	0
Businesses	#	37	12	29	20	2
	$ value	6,409	596	3,911	3,094	27
Electronic Equip.	#	86	562	632	16	9
	$ value	375	2,134	1,925	584	13
Financial Insts.	#	176	240	201	215	65
	$ value	20,235	39,015	28,366	30,884	3,243
Foodstuffs	#	2	24	23	3	0
	$ value	0	146	146	0	0
Jewelry	#	281	174	347	108	8
	$ value	1,913	10,815	6,677	6,051	18
Lab & Chemicals	#	17	57	51	23	0
	$ value	610	543	568	585	0
Real Properties	#	1,574	726	1,254	1,046	458
	$ value	216,256	74,280	127,596	162,940	34,576
Vehicles	#	2,226	14,731	13,958	2,999	503
	$ value	8,203	36,968	35,988	9,183	1,745
Vessels	#	52	153	143	62	1
	$ value	3,227	2,626	3,329	2,524	50
Weapons	#	3	388	271	120	2
	$ value	17	212	116	113	1
Other	#	382	184	408	158	4
	$ value	3,360	4,013	2,440	4,933	103
Total	#	**4,902**	**17,299**	**17,404**	**4,797**	**1,057**
	$ value	**277,680**	**176,803**	**229,103**	**225,380**	**41,494**

Method of Disposition - Forfeited Property - FY 1995

Dollars in Thousands

Property Category		*Lost/Stolen Destroyed*	*Retained for official use*	*Returned Asset*	*Sold*	*Transferred to State or Local*	*Other*[1]	*Total*
Aircrafts	#	0	0	3	31	0	0	34
	$ value	0	0	101	17,122	0	0	17,223
Animals	#	0	0	0	0	0	2	2
	$ value	0	0	0	0	0	140	140
Art & Antiques	#	0	0	5	46	0	0	51
	$ value	0	0	374	304	0	0	678
Businesses	#	4	0	6	11	0	8	29
	$ value	5	0	41	2,930	0	935	3,911
Electronic Equip.	#	60	293	5	232	36	6	632
	$ value	415	644	292	529	44	1	1,925
Financial Insts.	#	5	0	44	90	0	62	201
	$ value	204	0	13,865	12,307	0	1,990	28,366
Foodstuffs	#	20	0	1	1	0	1	23
	$ value	133	0	0	13	0	0	146
Jewelry	#	12	7	14	313	1	0	347
	$ value	3	23	631	6,013	7	0	6,677
Lab & Chemicals	#	32	9	1	1	2	6	51
	$ value	327	33	0	1	24	183	568

[1] "Other" represents methods of disposition that are unusual or infrequently used. Some examples of the use of the "other" category are: (a) liquidation of financial instruments; (b) aircraft transferred to the Department of the Interior (a non-participating federal agency); (c) real property used in the Weed & Seed Program; (d) real property in which USMS received "substitute res" (the monetary value of the property is substituted in place of the property) for the property; and (e) real property released to a claimant in lieu of cash settlement.

Method of Disposition - Forfeited Property

Dollars in Thousands

Property Category		*Lost/Stolen Destroyed*	*Retained for official use*	*Returned Asset*	*Sold*	*Transferred to State or Local*	*Other*	*Total*
Real Properties	#	0	4	154	1,036	6	54	1,254
	$ value	4	394	24,477	98,720	412	3,589	127,596
Vehicles	#	14	399	1,033	11,861	606	45	13,958
	$ value	26	6,349	4,647	19,985	4,394	587	35,988
Vessels	#	8	4	7	112	10	2	143
	$ value	5	42	1,315	1,811	138	18	3,329
Weapons	#	242	9	10	1	1	8	271
	$ value	66	7	37	2	0	4	116
Other	#	74	20	39	205	17	53	408
	$ value	187	100	121	1,642	25	365	2,440
Total	#	471	745	1,322	13,940	679	247	17,404
	$ value	1,375	7,592	45,901	161,379	5,044	7,812	229,103

Note 5. Seized Property

A seizure is the act of taking possession of goods in consequence of a violation of public law. Seized property consists of monetary instruments, real property, and tangible personal property of others in the actual or constructive possession of the custodial agency. Seized property and equipment (net of cash) is held for disposition by the U.S. Marshals Service. This property is recorded at the estimated fair-market value at time of seizure. The fair market value of this property has been reduced by estimated liens of record. However, the estimate does not reflect all possible liens and claims of innocent third parties. Such information becomes available as the individual cases proceed from seizure to forfeiture. As of September 30, 1994, the U.S. Marshals Service had seized property and equipment with an estimated fair-market value of $517.2 million. Liens associated with the property were for the amount of $51.7 million, leaving a net estimated value of $465.5 million. The following tables represent the analysis of change and methods of disposition of seized property for FY 1995. With regard to the following tables, Seized Property represents assets which have been seized and are awaiting disposition. The U.S. Government does not have title for these assets. The financial information supporting the figures presented in the following schedules was provided by the Seized Assets Management System (SAMS) and the Consolidated Asset Tracking System (CATS). SAMS provided data from 81 districts and CATS provided data from 13 districts. Both systems are separate and distinct from the general ledger.

Analysis of the Change in Seized Property - FY 1995

Dollars in Thousands

Property Category		*Beginning Balance*	*Seizures*	*Dispositions*	*Ending Balance*	*Liens/ Claims*
Aircrafts	#	49	27	36	40	19
	$ value	23,014	2,881	8,980	16,915	2,526
Animals	#	3	0	3	0	0
	$ value	430	0	430	0	0
Art & Antiques	#	48	20	18	50	2
	$ value	1,081	517	159	1,439	8
Businesses	#	24	8	16	16	4
	$ value	43,173	12	3,979	39,206	1,063
Electronic Equip.	#	437	356	437	356	59
	$ value	2,897	1,053	1,744	2,206	119
Financial Insts.	#	499	318	415	402	154
	$ value	96,295	33,440	30,116	99,619	7,915
Foodstuffs	#	22	31	30	23	0
	$ value	10,341	1,205	10,208	1,338	0
Jewelry	#	455	571	303	723	1,804
	$ value	31,124	14,958	4,628	41,454	865
Lab & Chemicals	#	4	48	23	29	2
	$ value	456	315	547	224	2
Real Properties	#	1,365	676	1,060	981	480
	$ value	259,235	123,232	133,169	249,298	60,732
Vehicles	#	6,747	20,721	19,868	7,600	1,377
	$ value	36,745	71,643	64,458	43,930	7,289
Vessels	#	155	166	174	147	25
	$ value	5,094	19,398	15,285	9,207	2,193
Weapons	#	166	336	192	310	12
	$ value	93	163	83	173	16
Other	#	386	295	276	405	64
	$ value	7,236	3,722	4,058	6,900	405
Total	#	10,360	23,573	22,851	11,082	4,002
	$ value	517,214	272,539	277,844	511,909	83,133

Method of Disposition - Seized Property - FY 1995
Page 1 of 2
Dollars in Thousands

Property Category		*Lost/Stolen Destroyed*	*Forfeited*	*Returned Asset*	*Sold*	*Returned to State Agency*	*Other*[2]	*Total*
Aircrafts	#	0	23	10	0	0	3	36
	$ value	0	5,805	2,773	0	0	402	8,980
Animals	#	0	3	0	0	0	0	3
	$ value	0	430	0	0	0	0	430
Art & Antiques	#	0	10	5	0	0	3	18
	$ value	0	108	43	0	0	8	159
Businesses	#	0	12	2	0	0	2	16
	$ value	0	1,072	560	0	0	2,347	3,979
Electronic Equip.	#	0	371	37	0	3	26	437
	$ value	127	1,433	130	0	2	52	1,744
Financial Insts.	#	1	152	86	0	0	176	415
	$ value	70	18,095	5,766	0	0	6,185	30,116
Foodstuffs	#	0	24	5	0	0	1	30
	$ value	0	146	10,062	0	0	0	10,208
Jewelry	#	0	155	118	1	0	29	303
	$ value	0	2,279	1,230	4	0	1,115	4,628
Lab & Chemicals	#	0	20	2	0	0	1	23
	$ value	0	543	4	0	0	0	547

[2] "Other" represents methods of disposition that are unusual or infrequently used. Some examples of the use of the "other" category are: (a) liquidation of financial instruments; (b) aircraft transferred to the Department of the Interior (a non-participating federal agency); (c) real property used in the Weed & Seed Program; (d) real property in which USMS received "substitute res" (the monetary value of the property is substituted in place of the property) for the property; and (e) real property released to a claimant in lieu of cash settlement.

Method of Disposition - Seized Property
Page 2 of 2
Dollars in Thousands

Property Category		*Lost/Stolen Destroyed*	*Forfeited*	*Returned Asset*	*Sold*	*Returned to State Agency*	*Other*	*Total*
Real Properties	#	0	726	261	1	1	71	1,060
	$ value	0	78,007	44,093	366	450	10,253	133,169
Vehicles	#	1	14,848	4,855	16	17	131	19,868
	$ value	2	39,219	23,246	82	101	1,808	64,458
Vessels	#	0	140	30	0	0	4	174
	$ value	0	2,688	12,464	0	0	133	15,285
Weapons	#	37	131	10	0	0	14	192
	$ value	3	59	13	0	0	8	83
Other	#	0	211	42	1	2	20	276
	$ value	1	2,322	927	0	5	803	4,058
Total	#	39	16,826	5,463	19	23	481	22,851
	$ value	203	152,206	101,311	452	558	23,114	277,844

Note 6. Accounts Payable

This balance includes payments due to vendors contracted to perform services relative to maintaining seized and forfeited assets, and equitable sharing payments due to local law enforcement agencies. Some expenses are accrued based upon estimates of amounts due to contractors. For FYs 1995 and 1994, these estimates are provided to the Asset Forfeiture Management Staff by various organizations of the Department of Justice and other participating Government agencies pursuant to reimbursement agreements.

Note 7. Deposit Fund

The SADF is a holding account established for the temporary deposit and control of nonevidentiary cash subject to forfeiture and includes seized cash, proceeds from preforfeiture sales of seized property, and income from property under seizure. The funds are held in the form of U.S. currency with the U.S. Treasury or as investments in U.S. Treasury securities until the U.S. Marshals Service receives a declaration of forfeiture or other court order directing the U.S. Marshals Service as to the disposition. The Deposit Fund liability account offsets the value of seized cash included in the SADF balance with the U.S. Treasury and in investments in U.S. Treasury securities.

Note 8. Net Position

Net Position is the equity of the U.S. Government in the Asset Forfeiture Program. The AFF, which is a Special Fund, accounts for all amounts presented within Net Position. The BCCI Investment Income (see Note 9) is subject to court order and may be used to pay claims of victims of the BCCI fraud. The income is recorded as revenue and the contingent liability is shown separately, for presentation purposes, within Net Position on the Statement of Financial Position. Of the $160.3 million in Net Position, $9.3 million represents undelivered orders. To the extent that undelivered orders are delivered during FY 1996, obligations pursuant to those orders will be expensed during FY 1996.

Note 9. Investment Income

The FY 1995 Investment Income was derived from investment of the AFF and SADF in U.S. Treasury securities. The earnings on BCCI funds held by the SADF and AFF are tracked separately due to special disposition requirements (see Note 8). Of the total interest earned in FY 1995, $21,082,041 was refunded to the Worldwide Victims Fund. The following schedule presents the composition of Investment Income for FYs 1995 and 1994.

Dollars in Thousands	*1995*	*1994*
Investment Income from AFF	$16,378	$8,030
Investment Income from SADF	12,892	8,970
Investment Income from BCCI	25,561	13,621
Total Investment Income	**$54,831**	**$30,621**

Note 10. Forfeited Cash

Forfeited Cash includes $233,046,761 in fiscal year 1995 and $33,240,886 in fiscal year 1994 from assets forfeited pursuant to the BCCI Plea Agreement. These amounts generally are not available because of special disposition requirements (i.e., court order).

Note 11. Forfeited Property Revenue

The Federal Accounting Standards Advisory Board's Statement of Federal Financial Accounting Standards Number 3, Accounting for Inventory and Related Property, requires that revenue associated with property not disposed of through sale be recognized upon approval of distribution. During FYs 1995 and 1994, the property was distributed pursuant to the Attorney General's authority to share forfeiture revenues with state and local law enforcement agencies that participated in the forfeiture that generated the property, and pursuant to the Department's authority to place forfeited property into official use by the Government. The amounts for the respective property distributions are as follows:

Dollars in Thousands	*1995*	*1994*
Property Retained by USMS	$516	$1,570
Property Transferred to State or Local Agencies	5,044	7,299
Property Transferred to Federal Agencies	7,077	12,872
Total Revenue	**$12,637**	**$21,741**

Note 12. Return of Forfeiture Income

Included in the line item "Return of Forfeiture Income" are the following amounts:

	1995	*1994*
Payments to individuals or organizations for assets forfeited and deposited into the AFF and subsequently returned to them through a settlement agreement or by court order	$7,395,655	$8,403,853
Return of forfeiture income to the Treasury Forfeiture Fund for its participation in seizure which led to forfeiture	13,160,232	17,314,517
Return of forfeiture income to the Resolution Trust Corporation, the Federal Deposit Insurance Corporation, or other Federal financial institutions or regulatory agencies for monies recovered under the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA)	468,214	161,799
Return of forfeiture income to the U.S. Postal Service for its participation in seizure which led to forfeiture	914,862	9,013,141
Return of forfeiture income to other Federal agencies for their participation in seizure which led to forfeiture	731,107	537,373
BCCI Distributions to victims and other permanent court-ordered distributions	254,128,802	5,000,000
Return of forfeiture income to the Treasury Forfeiture Fund (TFF) from the sale of TFF assets in the custody of the USMS	61,621	124,863
Total Return of Forfeiture Income	**$276,860,493**	**$40,555,546**

Note 13. Operating Expenses

Expenses incurred in the Statement of Operations and Changes in Net Position are classified by major type of program versus object classification. Operating expenses, including distributions of revenue, by object classification are shown in the following schedule:

Dollars in Thousands	*1995*	*1994*
Personnel Compensation and Benefits	$1,202	$537
Travel and Transportation of Persons and Things	4,760	8,417
Rent, Communications, and Utilities	13,014	7,930
Printing and Reproduction	410	213
Consulting and Other Services	422,012	440,981
Supplies and Materials	2,961	185
Equipment	2,044	9,404
Grants, Subsidies, and Contributions	3	28
Insurance Claims and Indemnities	107	370
Forfeited Property	12,637	21,741
Interest and Dividends	503	890
Total Expenses by Object Classification	**$459,653**	**$490,696**

Note 14. Allocation of Prior Year Surplus

28 U.S.C. § 524(c)(9)(E), provides authority for the Attorney General to use excess end-of-year monies, without fiscal year limitation, in the AFF for Federal law enforcement, prosecution, correctional activities, and related training requirements. The figure shown in the fiscal year 1994 column does not include unexpended allocations of Super Surplus funding totalling $6,807,758, which is included in the fiscal year 1995 column. The following schedule shows the allocation of surplus funds:

Dollars in Thousands	*1995*	*1994*
Asset Forfeiture Management Staff	$(43)	$3,097
Asset Forfeiture and Money Laundering, Criminal Division	1,596	0
United States Attorneys	1,600	0
National Institute of Justice	125	0
Bureau of Prisons	3,607	0
Community Relations Service	0	1,400
Civil Rights Division	0	3,500
Federal Bureau of Investigation	(4,226)	28,461
Drug Enforcement Administration	(404)	9,127
Immigration and Naturalization Service	4,990	4,000
United States Marshals Service	5	4,995
United States Postal Service	0	1,250
United States Food and Drug Administration	0	450
Department of Health and Human Services, Inspector General	0	250
Internal Revenue Service	0	3,400
Total Allocations	**$7,250**	**$59,930**
1991 Capital Surplus	$0	$3,097
1992 Super Surplus	(166)	13,544
1993 Super Surplus	7,416	43,289
Total Allocations	**$7,250**	**$59,930**

Note 15. Commitments and Contingencies

The AFF is committed under obligation for goods and services which have been ordered but not yet received (undelivered orders) at FY end. The total undelivered orders for all AFF activities amounted to $9.3 million and $6.8 million as of September 30, 1995 and 1994, respectively.

On deposit in the SADF were two sums of money that are actually forfeited pending distribution decisions. Funds in the amount of $22,156,379 forfeited pursuant to the U.S. v Duboc case and funds in the amount of $184,805,874 forfeited pursuant to the U.S. v. BCCI case were on deposit in the SADF on September 30, 1995.

The funds in the Duboc case are subject to a Sharing Request from the Department of Treasury. Until the merits of that sharing request can be fully evaluated, the Department of Justice can not establish an equitable sharing obligation.

The funds in the BCCI case will be used to reimburse certain expenses associated with the case. Until the various appeals for reimbursement can be evaluated, it is imperative that sums available for that purpose be preserved. Rather than shift the funds from the SADF to the AFF and carry forward increasingly larger balances associated with the BCCI matter, it was decided that the best management approach would be to retain these funds in the SADF pending decisions about their use.

U.S. Department of Justice
Washington, D.C. 20530

Annual Report of the Department of Justice Asset Forfeiture Program

Fiscal Year 1996

Prepared by the
Asset Forfeiture and Money Laundering Section
Criminal Division
and the
Asset Forfeiture Management Staff
Justice Management Division

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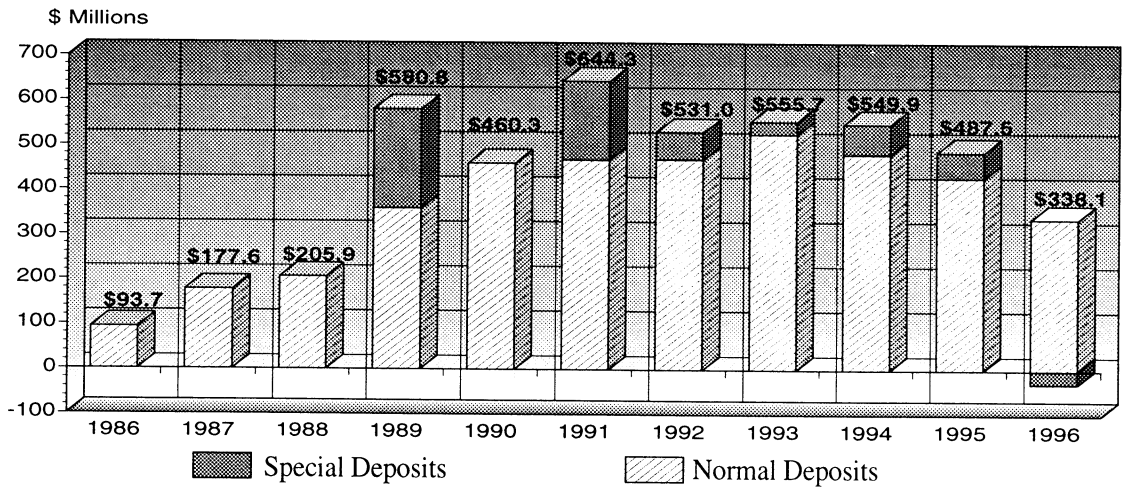
Program Performance

The total revenue for FY 1996 was $348.2 million. Approximately 51 percent of total FY 1996 revenue was distributed to fund equitable sharing payments, joint law enforcement operations, awards for information, and the purchase of evidence. About 29 percent of the total revenue in FY 1996 was used to fund forfeiture program expenses. Total expenses and distributions for FY 1996 were $292.8 million. Forfeiture program expenses as a percentage of total expenses and distributions remained relatively constant in FYs 1996 and 1995.

Department of Justice
Net Assets Forfeiture Fund Deposits



FY 89 includes $222M from Drexel Burnham Lambert case.
FY 91 includes $176.3M from the Michael Milken case.
FY 92 includes $55.3M from the Solomon Brothers case and $6M from BCCI interest.
FY 93 includes $19.7M from the McNamara case and $9.7M from BCCI interest.
FY94 includes $26.7M from the McNamara case, $13.6M from BCCI interest, and $28.2M from BCCI principal deposits.
FY 95 includes $27.7M from the McNamara case, $25.6M from BCCI interest, $25.5M from the Caxton Anti-Trust case, and $21.1M from BCCI interest accumulated in the Fund.
FY 96 includes $0.6M from the McNamara case, $45.2M distributed from U.S. Fund balances, $4.8M in BCCI interest, $1.3M distributed from BCCI balances, $11.6M from Ortiz/Guyton case deposits, and $17.1M in DuBoch case deposits.
Source: Asset Forfeiture Management Staff, JMD

Receipts and Deposits to the Fund

The Assets Foreiture Fund (*hereinafter* the fund) ended FY 1996 with net deposits of $338.1 million. Net deposits to the Fund were primarily derived from forfeited cash and the proceeds from the sale of forfeited property. In FY 1996, $249.8 million in forfeited cash accounted for 73.9 percent of net deposits to the Fund, and $73.5 million in proceeds from the sale of forfeited property represented 21.7 percent of net deposits to the Fund.

Other deposits to the Fund in FY 1996 consisted of payments and penalties in lieu of forfeiture of $17.8 million, recovery of asset management costs of $4.8 million, which includes $195,000 of recovery of expenses for

Treasury Forfeiture Fund assets; miscellaneous income of $13.6 million; and transfers from the Treasury Forfeiture Fund of $8.9 million. Paid from deposits to the Fund were refunds of $246.5 million

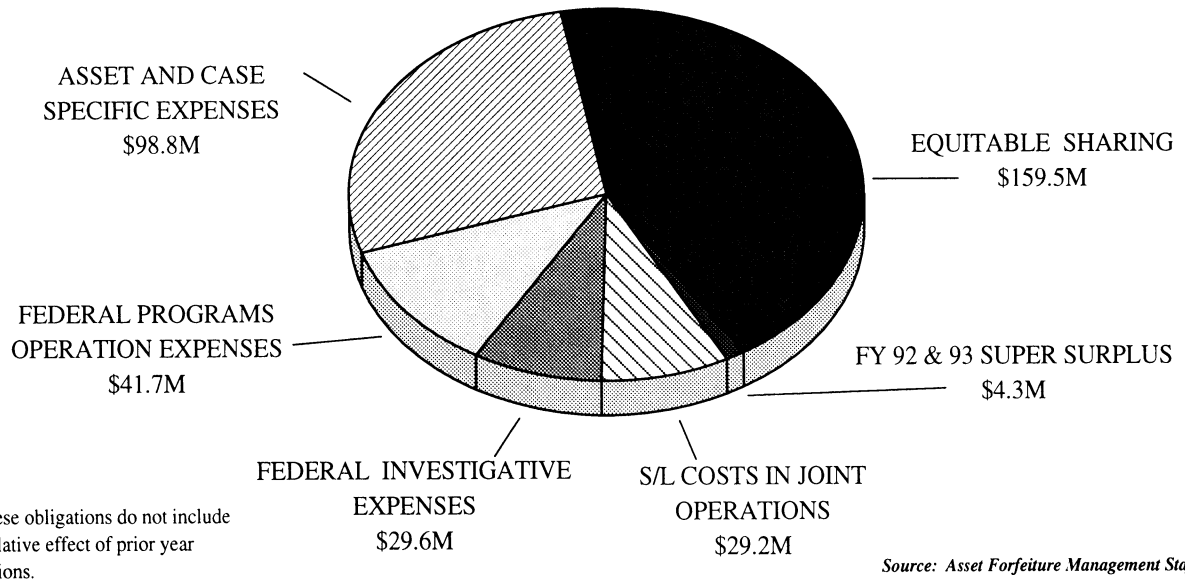
In addition to deposits provided by forfeitures, income was also derived from the investment of seized and forfeited fund balances. Investment earnings in FY 1996 totaled $42.7 million. Interest earnings accumulated to $12.3 million for forfeited cash balances, $15 million for seized cash balances, and $15.5 million for BCCI balances. Interest earned on BCCI funds was limited to distribution by order of the court. A court order was executed in FY 1996 that resulted in the distribution of $28.7 million of accumulated BCCI interest.

Official Use

In addition to the authority to sell property forfeited under laws enforced or administered by the Department, the Attorney General has the authority to retain forfeited property for official use and to transfer forfeited property to another federal agency or to any state or local law enforcement agency that participated directly in the seizure or forfeiture of the property.

In FY 1996, federally forfeited conveyances and other tangible property worth approximately $2.1 million were transferred to state and local law enforcement agencies through the equitable sharing program. Conveyances and personal property worth approximately $8 million were retained for official use by the Drug Enforcement

Department of Justice
Assets Forfeiture Fund
Obligations and Distributions
Fiscal Year 1996



Note: These obligations do not include the cumulative effect of prior year deobligations.

Source: Asset Forfeiture Management Staff, JMD

Administration, Federal Bureau of Investigation, Immigration and Naturalization Service, United States Marshals Service, and United States Postal Inspection Service.

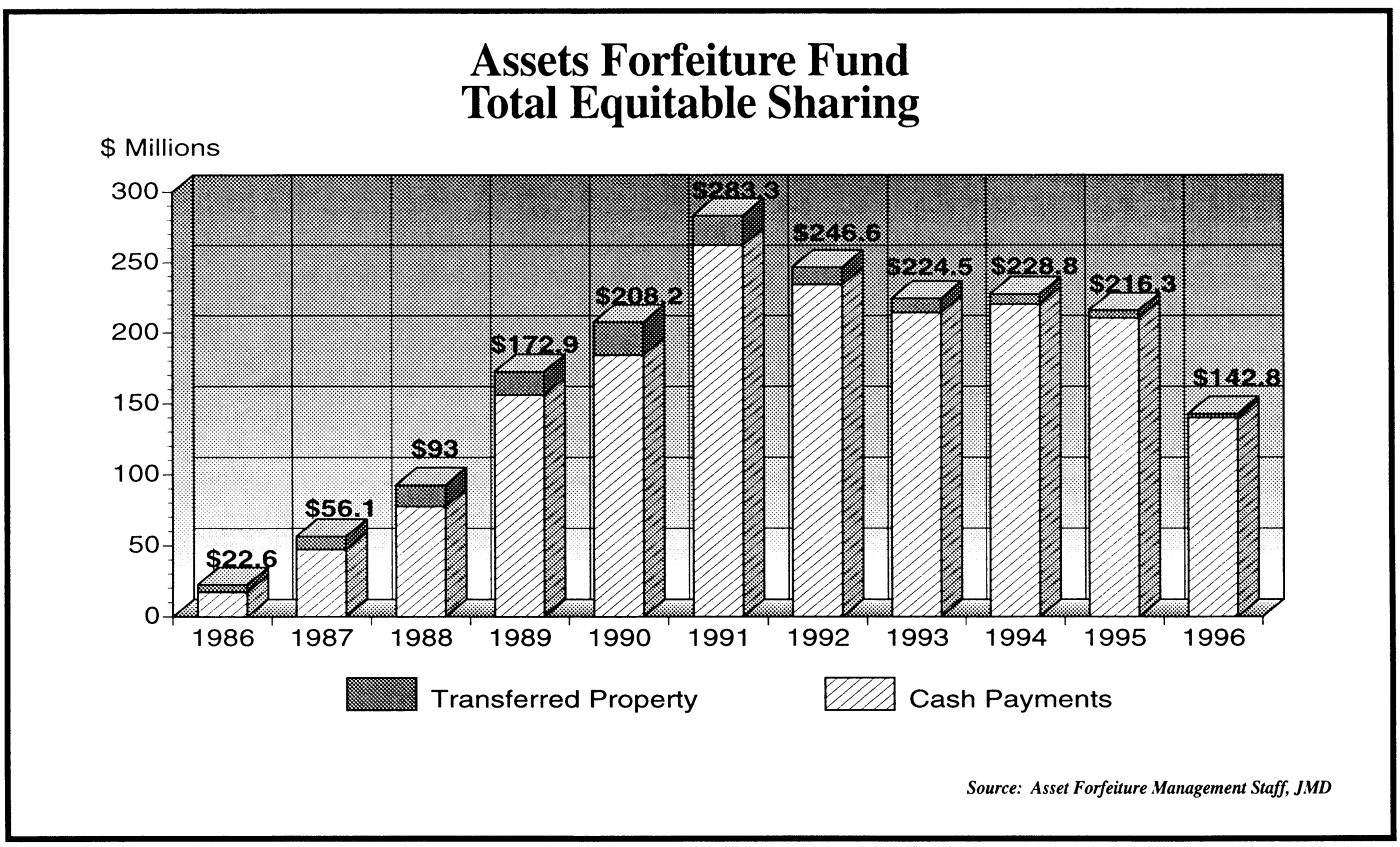
Program Expenses

Net deposits into the Fund are available to the Attorney General to meet program operation expenses. Authorities and limitations governing the use of the Fund are specified in 28 U.S.C. § 524(c). Any remaining deposits to the Fund are available to the Attorney General for investigative expenses up to the amount of appropriated authority. The Attorney General has discretion to use the Fund to pay any necessary expenses associated with the seizure, detention, management, forfeiture, and disposal of seized property.

In FY 1996, a total of $39.7 million was expended for the business costs of the Program associated with the management and disposal of seized and forfeited assets, case-related expenses, and innocent third-party payments. Another $93 million helped finance program management and investigative expenses associated with the anti-crime efforts of the federal law enforcement agencies participating in the Program.

Liens and Mortgages

The Fund paid a total amount of $15.9 million in liens and mortgages. As a general rule, valid liens or mortgages are deducted from gross sale proceeds before the proceeds are deposited to the Fund. The amount reported also includes payments from the Fund in connection with the remission or mitigation of a forfeiture, in accordance with procedures outlined in 28 C.F.R. Part 9.



Source: Asset Forfeiture Management Staff, JMD

Equitable Sharing

The Attorney General has the authority to make equitable sharing payments from the Fund to state, local, and foreign law enforcement agencies for their assistance in conducting a successful forfeiture case. The equitable sharing payments reflect the degree of direct participation in the law enforcement effort resulting in the forfeiture. Equitable sharing serves to enhance law enforcement cooperation and effectiveness by investing the proceeds of forfeitures into enhanced law enforcement activities. The increased cooperation that the equitable sharing program has fostered among federal, state, local, and foreign law enforcement agencies has been highly successful and is a major factor in the growth of federal forfeitures.

In FY 1996, a total of $150 million in forfeited cash was expensed for sharing. Of this amount, $140.7 million was disbursed to participating state and local law enforcement agencies at the end of the fiscal year. Since the Program began in 1986, almost $1.9 billion in cash and tangible property have been reinvested into law enforcement efforts at the state and local levels and over $42.3 million in cash has been disbursed at the foreign government level. The sharing of funds supplements state and local resources without further taxing the public. The equitable sharing program is the cornerstone of the national and international drug enforcement effort.

International Sharing

Criminals continue to pay more attention to the risk of forfeiture and are becoming more sophisticated in hiding their assets, both here and abroad. The Department continues to place a high priority on international cooperation to identify and seize foreign assets involved in criminal activity. Following legislation authorizing the Department of Justice to share forfeited property with cooperating foreign governments that assist in cases that lead to a forfeiture, the United States has entered into several international agreements and mutual legal assistance treaties, which contain provisions encouraging the sharing of forfeited property. To that end, the Department is authorized to share forfeited drug property or proceeds with foreign governments that participate directly or indirectly in the seizure and forfeiture of property under United States law pursuant to 21 U.S.C. § 881(e)(1)(E) and 18 U.S.C. § 981(i).

In 1991, an amendment of 28 U.S.C. § 524(c)(4)(B) allowed any forfeited proceeds shared with the United States by foreign governments to be deposited into the Fund. In FY 1996, the governments of Switzerland and Canada shared forfeited assets with the United States in the amount of $12.2 million. In FY 1996, approximately $9 million was distributed to five foreign countries that provided assistance in the United States forfeiture case. These countries include the Isle of Man, Ecuador, Canada, Switzerland, the United Kingdom, and Luxembourg. The Department of Justice continues its commitment to promoting international forfeiture cooperation and asset sharing with its international law enforcement partners as a way to attack serious transnational financial crime and drug trafficking.

End-of-Year Fund Balances

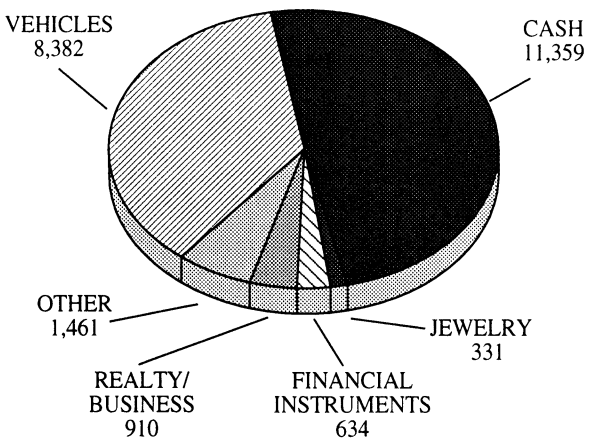
The Program ended FY 1996 with an unobligated balance of $184 million, of which $107.3 million was unrestricted, *i.e.*, available for start-up expenses and/or other statutorily authorized uses. Restrictions to the unobligated balance totaled $76.7 million at the end of the fiscal year.

Seized Assets Inventory

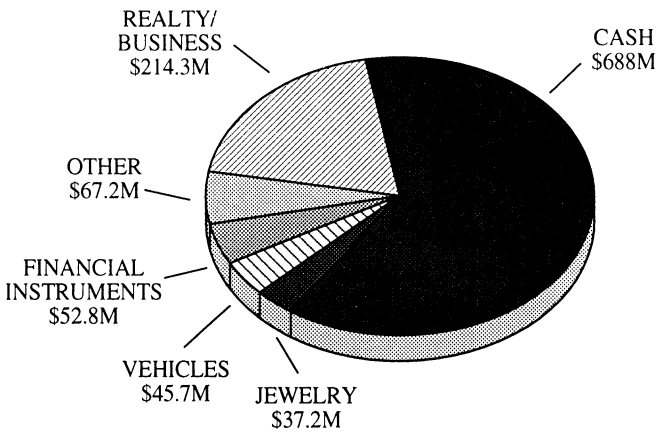
At the end of FY 1996, the inventory of seized assets held pending forfeiture consisted of more than 23,077 cash cases and properties valued at nearly $1.11 billion. This inventory of seized property included 910 real property and businesses valued at $214.3 million. In addition to property, the end-of-year seized inventory included 11,359 cash cases.

Seized cash is deposited into the Seized Asset Deposit Fund (SADF), a special holding account at the U.S. Treasury. The SADF ended the fiscal year with a balance of $644.7 million. The balance included deposits in the amount of $15.8 million associated with the forfeiture of BCCI. Seized cash held as evidence and not deposited to the SADF totaled $24.4 million in FY 1996.

Seized Properties on Hand
Fiscal Year 1996



TOTAL NUMBER
23,077

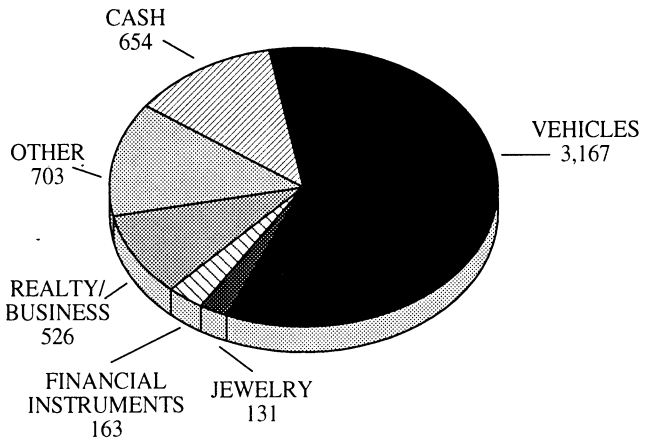


TOTAL VALUE
$1.105 BILLION*

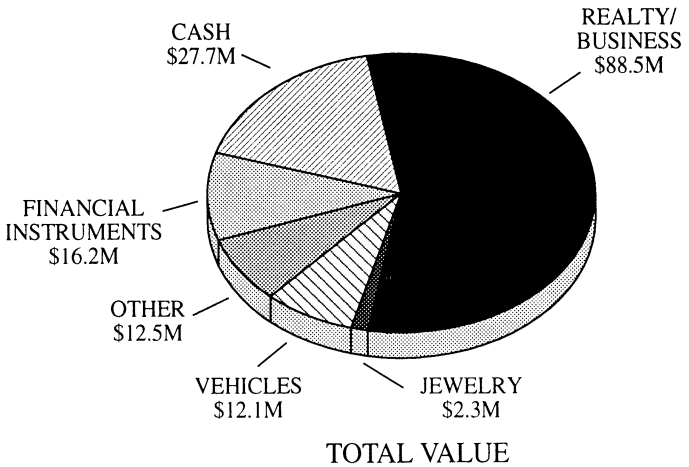
*This figure does not include liens and claims.

Source: Asset Forfeiture Management Staff, JMD

Forfeited Properties on Hand
Fiscal Year 1996



TOTAL NUMBER
5,344

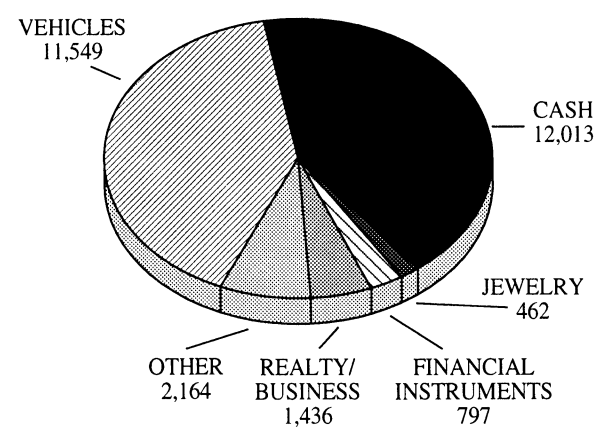


TOTAL VALUE
$159.3 MILLION*

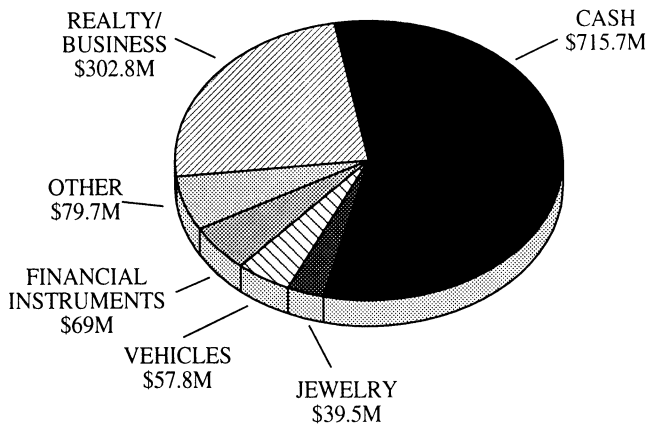
*This figure does not include liens and claims.

Source: Asset Forfeiture Management Staff, JMD

Seized and Forfeited Properties on Hand
Fiscal Year 1996



TOTAL NUMBER
28,421



TOTAL VALUE
$1.264 BILLION*

*This figure does not include liens and claims.

Source: Asset Forfeiture Management Staff, JMD

Appendix A

DEPARTMENT OF JUSTICE ASSETS FORFEITURE FUND
STATEMENT OF RECEIPTS AND DISBURSEMENTS ACTIVITY
FISCAL YEAR 1996
(October 1, 1995 through September 30, 1996)

FUND BALANCE, START–OF–YEAR		**$160,002,533**
ADJUSTMENTS TO FUND BALANCE		
Less: Fy 1993 Super Surplus Authority	(11,381,032)	
Less: FY 1992 – FY 1994 Interest Earned on BCCI Funds **(a)**	(33,797,894)	
Less: Fy 1994 BCCI Principal Deposit to the AFF **(a)**	(28,240,886)	
Less: McNamara unexpensed receipts **(b)**	(16,190,262)	
Less: Interest due to the Treasury Forfeiture Fund	(485,140)	
Total Adjustments		**(90,095,214)**
ADJUSTED BEGINNING BALANCE AVAILABLE FOR GENERAL OPERATIONS		**$69,907,319**
DEPOSITS		
From Forfeited Cash	$248,891,913	
From Sale of Forfeited Property	73,506,451	
From Payments in Lieu of Forfeiture	17,833,647	
From Investment Balances	43,554,118	
From Recovery of Asset Management Costs	4,619,420	
From Other Federal Agencies	44,119	
From from USCS	8,876,118	
From Recovery of Expense for USCS Assets	194,575	
From Miscellaneous Income	13,596,052	
From BCCI Plea Agreement Proceeds **(a)**	173,539,291	
Transfers out to Working Capital Fund	(55,074)	
Transfers in of Unused FY 1991 Capital Surplus Balances	546,466	
Gross Deposits	$585,147,096	
Less: Refunds **(c)**	(246,521,914)	
Net Deposits FY 1996	$338,625,182	
Add: Distribution of BCCI/U.S. Fund Principal and Interest **(a)**	56,925,926	
Add: Distribution of Interest due to the Treasury Forfeiture Fund	485,140	
Less: BCCI Interest earned	(15,452,001)	
Less: Mc Namara Balances **(b)**	(62,291)	
Less: 1991 Capital Surplus Transfers in	(546,466)	
Less: Approved Sharing with Decertified Countries	(1,471,757)	
Adjusted Available Income		**$378,503,733**
TOTAL AVAILABLE FOR GENERAL OPERATIONS		**$448,411,052**
EXPENSES OF PRODUCTION		
Asset Management and Disposal	($24,111,523)	
Payments to Third Parties	(15,978,164)	
Forfeiture Case Prosecution	(2,031,575)	
ADP Equipment	(27,737,762)	
Special Contract Services	(34,974,331)	
Forfeiture Training and Printing	965,877	
Other Program Management	(6,933,811)	
Total Forfeiture Program Expenses		**($110,801,289)**
EXCESS OF AVAILABILITY OVER EXPENSES		**$337,609,763**
DISTRIBUTION OF EXCESS REVENUES		
Equitable Sharing	($149,977,770)	
Awards for Information	(16,944,266)	
Purchase of Evidence	(1,386,794)	
Contract to ID Assets	(1,362,465)	
Equipping of Conveyances	(922,000)	
Storage, Protection and Destruction of Drugs	(17,402)	
Joint Law Enforcement Operations	(28,860,770)	
Total Distributions		**($199,471,467)**
REMAINING AVAILABILITY		**$138,138,296**
STATUS OF RESTRICTED BALANCES		
FY 1991 Capital Surplus Remaining **(d)**		**$546,466**
FY 1992 Super Surplus Remaining **(d)**		**166,482**
FY 1993 Super Surplus Remaining **(d)**		**6,808,335**
BCCI/U.S. Fund Interest Balance Remaining **(a)**		**20,564,856**
McNamara Unexpensed Receipts **(b)**		**16,252,553**
Approved Sharing with Decertified Countries **(e)**		**1,471,757**
Total Restricted Balances		**$45,810,449**
FUND BALANCE END–OF–YEAR		**$183,948,745**

Note: This statement reflects actual obligations as reported in the Department's official accounting reports as of September 30, 1996. Obligations are NOT adjusted to remove undelivered orders.

DEPARTMENT OF JUSTICE ASSETS FORFEITURE FUND
FOOTNOTES TO THE STATEMENT OF RECEIPTS AND DISBURSEMENTS ACTIVITY
FISCAL YEAR 1996
(October 1, 1995 through September 30, 1996)

(a) Interest earned from the investment of proceeds relating to the BCCI forfeiture is limited to distribution by order of the court Current BCCI balances are derived as shown below:

Fiscal Year 1992–1995 Interest Earned	$33,797,894		
FY 1994 Transfer in from the SADF	28,240,886		
Subtotal FY 1995			$62,038,780
Fiscal Year 1996 Interest Earned			$15,452,001
Transfers in From SADF		$173,539,291	
Transfer of amounts related to the "UBAF" case	($19,048,750)		
Transfer to the State of New York	(5,057,314)		
Transfer to the Worldwide Victims Fund	(83,651,863)		
Transfer to the FDIC	(116,035,886)		
Transfer to the Asset Forfeiture Program	(6,671,404)		
Subtotal Transfers out (Refunds)		(230,465,217)	
Subtotal FY 1996 BCCI Transfers			(56,925,926)
Fiscal Year 1996 BCCI balance forward			**$20,564,855** 1/

1/ $6,534,535 of this remaining balance is interest earned on U.S. Fund Balances.

Total BCCI Case Activity involving distributions to U.S. Fund and WVF

	U.S. Fund	*WVF*	*Total*
Round 1 & 2 Principal and Interest	$191,228,657	$244,128,802	$435,357,459
Round 3 Principal (Less: $5M capitalization payment)	28,240,886	0	28,240,886
Round 3 Principal distribution	24,659,258	0	24,659,258
Transfer to State of New York	(10,000,000)	0	(10,000,000)
Total Balance at the end of FY 1995	$234,128,801	$244,128,802	$478,257,604
FY 1996 Activity			
Interest Earned on U.S. Fund Balances	$12,844,106	$0	$12,844,106
Transfer to the State of New York	(5,057,314)	0	(5,057,314)
Transfer to the Worldwide Victims Fund	(83,651,863)	83,651,863	(0)
Transfer to the FDIC	(116,035,886)	0	(116,035,886)
Transfer to the Asset Forfeiture Program	(6,671,404)	0	(6,671,404)
Subtotal FY 1996 Activity	***($198,572,361)***	***$83,651,863***	***($114,920,498)***
Balance at 9/30/96	**$35,556,440**	**$327,780,665**	**$363,337,106**
FDIC Reserve	$21,968,595		
State of New York Reserve	5,000,000		
Subtotal	$26,968,595		
U.S. Fund Unreserved Balance	$8,587,845		

(b) *McNamara Case – Balance of Unexpensed Receipts*

McNamara Unexpensed Receipts 9/30/93			$17,500
McNamara Unexpensed Receipts 9/30/94			11,646,867
McNamara Unexpensed Receipts 9/30/95			4,525,894
Subtotal			$16,190,261
FY 1996 activity:			
Sale of Forfeited Property	$595,007		
Cash Seized	0		
Income earned on seized property	0		
Subtotal McNamara Case Receipts		$595,007	
Third Party Payments	($199,288)		
Custodial Expenses	(333,428)		
Sales Expenses	0		
Subtotal McNamara Case Expenses		(532,716)	
FY 1996 McNamara Case activity			62,291
McNamara Unexpensed Receipts 9/30/96			**$16,252,552**

(c) Refunds

Refunds	($5,481,900)
Refunds to the Treasury Forfeiture Fund (TFF)	(6,848,827)
Distribution of Interest Payable to TFF	(485,140)
FIRREA Refunds	(663,323)
Refunds to U.S. Postal Service	(2,156,002)
Refunds to Other Federal Agencies	(444,083)
BCCI Related Distributions	(230,465,217)
TFF Assets sold by the USMS	22,579
Subtotal	($246,521,913)

(d) Capital and Super Surplus Balances

FY 1991 Capital Surplus			
Unallocated Surplus Authority			**$546,466.00**
FY 1992 Super Surplus			
Unallocated Surplus Authority			**$166,482.00**
FY 1993 Super Surplus			
Unobligated Allocation, end of FY 1996			
Criminal Division		$887,778.00	
U.S. Attorneys		625,490.00	
Subtotal Amounts Allocated but not Obligated			$1,513,268.00
Unallocated Surplus Authority			5,295,067.13
Balance, End of FY 1996			**$6,808,335.13**
Super and Capital Surplus Balances at the End of FY 1996			**$7,521,283.13**

(e) Approved Sharing with Decertified Countries

The entire amount is for sharing that was approved by the Deputy Attorney General to be shared but could not be shared because Colombia has been decertified.

U.S. v. All Funds on Deposit at Merrill Lynch, et al.	$50,000
U.S. v $8,985,427.20 in U.S. Currency	1,421,757
	$1,471,757

Appendix B

Department of Justice Assets Forfeiture Fund
Summary of Receipts and Disbursement Activity
Fiscal Year 1996
(October 1, 1995, through September 30, 1996)

Source of Receipts

Total net deposits to the Fund totalled $338,133,791 from the following sources:

DESCRIPTION	AMOUNT
Cash	$249,777,459
Sale of Property	73,506,451
Payments in lieu of Forfeiture	17,833,647
BCCI Investment Income	15,452,001
Other Investment Income	27,216,571
Transfers from Treasury Forfeiture Fund	8,920,237
Recovery of Asset Management Costs	4,813,995
Miscellaneous Income	13,596,052
Refunds	(16,056,696)
BCCI Transfers	(56,925,926)
TOTAL	$338,133,791

Program Expenses

Total expenses associated with the business costs of maintaining the Program were $39,729,000 for FY 1996. An additional $93,018,000 was expended to support program management and investigative expenses for the fiscal year.

Business Expenses:

DESCRIPTION	AMOUNT
Asset Management Expenses	$23,036,000
Forfeiture Case Prosecution	761,000
Payments to Innocent Third Parties	15,932,000
TOTAL	$39,729,000

Management and Investigative Expenses:

DESCRIPTION	AMOUNT
Special Contract Services	$32,199,000
ADP Equipment	25,361,000
Forfeiture Training and Printing	(1,237,000)
Other Program Management	6,354,000
Awards for Information	9,409,000
Purchase of Evidence	819,000
Equipping of Conveyance and Miscellaneous Expenses	2,385,000
Joint Law Enforcement Operations	16,453,000
Contracts to Identify Assets	1,275,000
TOTAL	$93,018,000

Other Expenses:

DESCRIPTION	AMOUNT
Transfers of Forfeited Property Revenue	$ 10,077,000
Equitable Sharing	149,977,770

Official Use

RECIPIENTS	TOTAL
Participating Federal Components	$7,970,000
Participating State and Local Law Enforcement Agencies through Equitable Sharing	$2,106,448
TOTAL	$10,076,448

Seized Cash Not on Deposit

A total of $24,428,550 in seized and forfeited cash was not deposited in the SADF. The following cash amounts were held by the components as evidence:

AGENCIES	AMOUNTS
DEA	$ 1,627,921
FBI	19,312,599
USPIS	3,488,030
TOTAL	24,428,550

Appendix C

ASSETS FORFEITURE FUND
NET DEPOSITS
(by District)
as of September 30, 1996

#	JUDICIAL DISTRICT		CITY	FY 1985 – FY 1992	FY 1993	FY 1994	FY 1995	FY 1996	TOTAL TO DATE
1	ALABAMA	NORTHERN	BIRMINGHAM	$9,981,292	$2,438,514	$1,959,375	$920,572	2,042,960	$17,342,713
2	ALABAMA	MIDDLE	MONTGOMERY	3,095,399	1,235,146	1,820,291	835,887	826,563	7,813,287
3	ALABAMA	SOUTHERN	MOBILE	8,658,336	1,261,727	1,585,948	758,607	800,141	13,064,759
6	ALASKA		ANCHORAGE	7,755,709	3,318,037	1,421,460	1,891,509	318,349	14,705,065
8	ARIZONA		PHOENIX	33,896,825	10,305,239	7,998,808	7,349,883	3,790,894	63,341,650
9	ARKANSAS	EASTERN	LITTLE ROCK	4,667,589	929,389	1,358,785	420,345	471,136	7,847,243
10	ARKANSAS	WESTERN	FORT SMITH	2,060,040	1,031,970	545,556	221,630	579,962	4,439,159
11	CALIFORNIA	NORTHERN	SAN FRANCISCO	57,296,233	6,538,265	7,846,887	4,670,121	4,768,771	81,120,277
12	CALIFORNIA	CENTRAL	LOS ANGELES	263,829,167	34,142,552	41,617,732	43,294,329	41,258,220	424,142,000
97	CALIFORNIA	EASTERN	SACRAMENTO	21,045,570	3,003,264	4,161,053	1,797,363	1,555,856	31,563,106
98	CALIFORNIA	SOUTHERN	SAN DIEGO	97,806,707	21,514,095	12,781,726	8,889,948	9,515,253	150,507,728
13	COLORADO		DENVER	26,043,016	3,079,173	15,027,763	1,333,059	1,239,729	46,722,739
14	CONNECTICUT		NEW HAVEN	26,011,442	2,380,508	1,976,508	976,851	499,318	31,844,626
15	DELAWARE		WILMINGTON	5,029,934	652,750	794,971	943,799	358,538	7,779,993
16	DIST of COLUMBIA		WASH.,D.C.	4,795,779	2,619,824	1,667,638	1,368,413	3,881,255	14,332,911
4	FLORIDA	SOUTHERN	MIAMI	202,120,925	45,262,211	46,711,145	29,600,983	21,647,472	345,342,737
17	FLORIDA	NORTHERN	PENSACOLA	12,229,052	1,859,427	8,076,923	16,453,626	20,661,793	59,280,821
18	FLORIDA	MIDDLE	JACKSONVILLE	66,282,748	11,857,375	17,490,291	9,633,806	14,322,227	119,586,447
19	GEORGIA	NORTHERN	ATLANTA	47,989,713	18,014,772	7,329,164	11,242,773	5,473,556	90,049,977
20	GEORGIA	MIDDLE	MACON	9,431,680	1,299,642	603,370	540,311	2,652,947	14,527,950
21	GEORGIA	SOUTHERN	SAVANNAH	10,436,993	2,758,164	849,567	1,055,377	2,396,339	17,496,440
22	HAWAII		HONOLULU	23,119,888	5,433,227	5,814,153	1,668,077	1,270,877	37,306,222
23	IDAHO		BOISE	1,787,970	604,051	2,085,151	447,495	295,693	5,220,360
24	ILLINOIS	NORTHERN	CHICAGO	53,664,362	14,729,722	9,364,787	11,049,249	4,486,938	93,295,057
25	ILLINOIS	SOUTHERN	E. ST. LOUIS	8,048,939	1,605,440	935,415	3,787,741	970,518	15,348,052
26	ILLINOIS	CENTRAL	SPRINGFIELD	5,035,004	723,484	1,255,483	472,693	563,363	8,050,025
27	INDIANA	NORTHERN	SOUTH BEND	7,497,708	683,344	2,217,030	4,926,674	960,127	16,284,883
28	INDIANA	SOUTHERN	INDIANAPOLIS	9,025,301	2,476,903	2,289,864	1,845,307	1,542,777	17,180,152
29	IOWA	NORTHERN	CEDAR RAPIDS	1,803,650	565,970	310,084	999,130	251,814	3,930,648
30	IOWA	SOUTHERN	DES MOINES	3,410,209	1,478,826	1,486,871	1,170,218	1,517,956	9,064,080
31	KANSAS		TOPEKA	4,473,036	1,392,437	2,101,578	1,761,842	1,639,857	11,368,750
32	KENTUCKY	EASTERN	LEXINGTON	6,259,054	3,122,780	1,395,670	1,916,637	2,130,340	14,824,481
33	KENTUCKY	WESTERN	LOUISVILLE	5,012,295	1,505,983	1,009,958	776,470	467,229	8,771,934
34	LOUISIANA	EASTERN	NEW ORLEANS	19,199,956	3,979,251	3,269,005	4,030,501	1,737,876	32,216,589
35	LOUISIANA	WESTERN	SHREVEPORT	4,154,504	672,331	132,525	188,426	531,404	5,679,190
95	LOUISIANA	MIDDLE	BATON ROUGE	3,207,158	88,347	96,579	128,290	551,265	4,071,638
36	MAINE		PORTLAND	5,782,293	611,990	362,494	491,923	722,109	7,970,809
37	MARYLAND		BALTIMORE	26,700,114	3,433,295	5,252,136	5,870,886	6,021,621	47,278,050
38	MASSACHUSETTS		BOSTON	29,417,829	10,939,352	3,618,461	2,928,956	2,694,834	49,599,432
39	MICHIGAN	EASTERN	DETROIT	42,502,422	14,228,436	10,673,080	8,103,062	7,115,301	82,622,301
40	MICHIGAN	WESTERN	GRAND RAPIDS	6,100,996	1,164,926	1,395,527	322,994	1,508,053	10,492,496
41	MINNESOTA		MINNEAPOLIS	13,615,498	2,493,776	4,953,913	3,136,649	2,589,752	26,789,589
42	MISSISSIPPI	NORTHERN	OXFORD	4,483,574	693,875	235,492	170,506	69,340	5,652,787
43	MISSISSIPPI	SOUTHERN	JACKSON	6,911,671	1,984,296	1,071,944	2,039,606	1,145,592	13,153,109
44	MISSOURI	EASTERN	ST. LOUIS	19,455,118	5,103,920	3,083,127	4,134,988	5,606,364	37,383,516
45	MISSOURI	WESTERN	KANSAS CITY	9,557,010	3,356,872	4,038,801	1,322,493	1,851,550	20,126,726
46	MONTANA		BILLINGS	1,775,896	1,298,750	739,052	517,223	371,417	4,702,339
47	NEBRASKA		OMAHA	2,552,590	1,786,343	624,755	640,489	657,609	6,261,785
48	NEVADA		LAS VEGAS	21,173,942	2,630,650	2,509,070	3,790,646	1,467,722	31,572,031
49	NEW HAMPSHIRE		CONCORD	2,886,946	562,714	429,685	191,847	575,752	4,646,944
50	NEW JERSEY		NEWARK	18,080,113	6,119,580	1,990,552	5,883,310	3,606,329	35,679,884
51	NEW MEXICO		ALBUQUERQUE	13,773,321	3,149,228	6,567,905	3,845,412	1,388,584	28,724,451
52	NEW YORK	NORTHERN	UTICA	9,448,226	2,455,920	2,089,301	2,421,649	1,529,983	17,945,080
53	NEW YORK	EASTERN	BROOKLYN	199,587,464	62,781,313	63,428,724	47,058,461	28,125,513	400,981,474
54	NEW YORK	SOUTHERN	NEW YORK	549,965,084	36,096,563	18,416,417	50,596,380	15,565,222	670,639,666
55	NEW YORK	WESTERN	BUFFALO	14,506,855	5,331,337	3,545,251	3,330,991	2,693,593	29,408,027
56	N.CAROLINA	EASTERN	RALEIGH	18,476,996	3,279,376	5,293,347	3,289,866	3,016,095	33,355,681
57	N.CAROLINA	MIDDLE	GREENSBORO	10,382,139	4,064,845	1,618,575	1,185,788	1,224,563	18,475,909
58	N.CAROLINA	WESTERN	ASHEVILLE	11,113,356	4,704,214	3,994,578	3,601,959	2,253,295	25,667,402
59	N.DAKOTA		FARGO	433,836	168,457	51,587	3,544	38,610	696,033
60	OHIO	NORTHERN	CLEVELAND	12,392,014	5,979,473	4,771,114	1,917,946	5,093,408	30,153,955
61	OHIO	SOUTHERN	CINCINNATI	17,457,069	5,554,467	3,784,694	3,293,267	4,152,537	34,242,034
62	OKLAHOMA	NORTHERN	TULSA	5,816,866	1,240,722	203,429	1,081,750	(49,921)	8,292,846
63	OKLAHOMA	EASTERN	MUSKOGEE	1,785,350	680,777	1,273,704	468,384	890,866	5,099,081
64	OKLAHOMA	WESTERN	OK CITY	8,546,704	640,670	1,051,677	1,535,023	544,205	12,318,279
65	OREGON		PORTLAND	19,385,185	5,039,293	5,573,805	2,306,010	1,745,999	34,050,292
66	PENNSYLVANIA	EASTERN	PHILADELPHIA	35,446,033	8,866,396	13,246,986	5,211,865	4,263,372	67,034,654
67	PENNSYLVANIA	MIDDLE	SCRANTON	15,373,374	731,103	1,079,890	375,371	400,910	17,960,648
68	PENNSYLVANIA	WESTERN	PITTSBURGH	5,884,409	1,763,028	957,196	995,130	1,730,589	11,330,352
69	PUERTO RICO		SAN JUAN	35,898,165	6,726,421	9,179,300	11,709,001	9,061,262	72,574,149
70	RHODE ISLAND		PROVIDENCE	6,750,209	627,886	1,243,388	628,956	1,417,205	10,667,643
71	S.CAROLINA		COLUMBIA	13,445,095	2,032,596	2,279,568	4,581,782	5,573,170	27,912,211
73	S.DAKOTA		SIOUX FALLS	1,007,921	169,696	16,355	24,540	43,960	1,262,473
74	TENNESSEE	EASTERN	KNOXVILLE	4,625,731	1,715,629	670,244	2,338,856	2,171,723	11,522,183
75	TENNESSEE	MIDDLE	NASHVILLE	7,366,373	2,131,478	1,495,780	980,056	499,437	12,473,124
76	TENNESSEE	WESTERN	MEMPHIS	9,895,479	3,684,008	2,273,987	1,755,684	1,256,384	18,865,542
77	TEXAS	NORTHERN	DALLAS	37,645,481	14,163,623	7,543,735	18,161,183	6,835,276	84,349,299
78	TEXAS	EASTERN	TYLER	10,642,109	2,065,092	2,869,740	3,091,414	1,119,898	19,788,254
79	TEXAS	SOUTHERN	HOUSTON	109,878,698	29,305,549	30,154,061	23,294,000	16,049,236	208,681,543
80	TEXAS	WESTERN	SAN ANTONIO	46,865,626	12,302,150	6,208,278	5,790,292	7,116,531	78,282,875
81	UTAH		SALT LAKE CITY	3,759,112	2,383,654	1,835,185	63,564	401,166	8,442,680
82	VERMONT		BURLINGTON	4,429,275	1,061,344	733,377	376,242	509,196	7,109,435
83	VIRGINIA	EASTERN	NORFOLK	36,105,793	8,944,429	5,801,919	3,332,710	9,692,095	63,876,945

ASSETS FORFEITURE FUND
NET DEPOSITS ❶
(by District)
as of September 30, 1996

#	JUDICIAL DISTRICT		CITY	FY 1985 – FY 1992	FY 1993	FY 1994	FY 1995	FY 1996	TOTAL TO DATE
84	VIRGINIA	WESTERN	ROANOKE	6,418,764	1,673,650	2,597,823	2,409,880	820,214	13,920,330
85	WASHINGTON	EASTERN	SPOKANE	2,402,118	1,900,704	611,182	1,221,984	960,845	7,096,833
86	WASHINGTON	WESTERN	SEATTLE	18,986,846	5,681,840	4,979,585	2,408,074	2,699,888	34,756,232
87	WEST VIRGINIA	NORTHERN	FAIRMONT	1,224,932	513,921	322,641	459,688	126,931	2,648,112
88	WEST VIRGINIA	SOUTHERN	CHARLESTON	4,764,705	857,934	139,470	203,455	579,213	6,544,777
89	WISCONSIN	EASTERN	MILWAUKEE	15,433,360	2,287,080	2,462,663	2,188,873	2,038,946	24,410,922
90	WISCONSIN	WESTERN	MADISON	2,605,321	514,682	613,045	451,796	619,389	4,804,233
91	WYOMING		CHEYENNE	1,535,884	606,694	107,181	53,877	16,589	2,320,225
5	N. MARIANA IS.			9,877	0	0	0	0	9,877
93	GUAM		AGANA	217,403	94,144	239,500	801,168	291,800	1,644,014
94	VIRGIN ISLANDS		ST. THOMAS	2,023,625	419,130	161,760	55,675	217,705	2,877,895
	OTHER			51,281,108	5,642,959	11,216,576	15,981,902	12,797,461	96,920,006 1/
	INVESTMENT INCOME			41,808,835	15,001,615	16,999,708	29,269,249	28,102,117	131,181,524
			SUBTOTAL:	$2,713,961,319	$546,008,003	$508,071,436	$483,066,219	$379,607,714	$4,630,714,691
	BCCI Investment			5,998,537	9,699,036	13,621,024	4,479,297 2/	(13,233,038)3/	20,564,856
	BCCI Income			0	0	28,240,886	0	(28,240,887)	(1)
			GRAND TOTAL:	$2,719,959,856	$555,707,039	$549,933,346	$487,545,517	$338,133,789	$4,651,279,546

❶ These figures represent official accounting transactions. They do not reflect total forfeiture activity for any jurisdiction

1/ The "Other" line is comprised of deposits made to the Assets Forfeiture Fund (AFF) where a district has not been identified. Examples are U.S. Treasury Assets Forfeiture Fund reimbursements for U.S. Attorneys costs and Consolidated Asset Tracking System costs, GSA sales, INS mitigation payments, and AFF portions of BCCI distributions.

2/ The BCCI total interest earned in FY 95 is $25,561,338.83. In conjunction with the BCCI interest earned, there was a BCCI disbursement of interest pursuant to court order signed 8/18/95 and filed 8/28/95 (Criminal No. 91–0655, Defendants 01–04). The transfer occurred in September 1995, in the amount of $21,082,041.45, resulting in net interest earned in FY 95 of $4,479,297.

3/ The BCCI interest earned through September 1996 for FY 96 is $15,452,001.27. Of this amount, $1,293,426.42 was disbursed for interest earned on the UBAF case along with a principal amount of $17,755,323.57 in October 1995. In addition, $885,545.89 was transferred from BCCI to Non– BCCI in August 1996 to reimburse the AFF for some of the legal costs incurred in BCCI case and $11,103,745.05 of interest earned on BCCI cases along with the principal amount of $72,548,118.19 was transferred to the WVF in August 1996. Also, $15,402,321.53 of interest earned on BCCI cases along with the principal amount of $10,632,764.47 was transferred to the FDIC in September, resulting in net interest earned through September 1996 of ($13,233,038).

Appendix D

ASSETS FORFEITURE FUND
EQUITABLE SHARING DISBURSEMENTS
FISCAL YEAR 1996
(by District)
September 30, 1996

#	JUDICIAL DISTRICT		FY 1986 – FY 1992	FY 1993	FY 1994	FY 1995	FY 1996	TOTAL TO DATE
1	ALABAMA	NORTHERN	$5,581,568	$1,311,897	$976,481	$526,573	$1,247,889	$9,644,408
2	ALABAMA	MIDDLE	$1,797,331	504,663	1,259,968	346,095	713,690	4,621,747
3	ALABAMA	SOUTHERN	$5,564,347	358,585	1,994,429	592,712	591,736	9,101,809
6	ALASKA		$2,873,045	946,531	446,016	196,172	24,593	4,486,357
8	ARIZONA		$12,042,054	4,722,630	3,309,863	2,656,437	978,932	23,709,916
9	ARKANSAS	EASTERN	$3,508,558	689,946	997,761	323,623	284,035	5,803,923
10	ARKANSAS	WESTERN	$834,330	747,003	457,205	152,621	399,936	2,591,095
11	CALIFORNIA	NORTHERN	$33,123,385	2,016,621	4,315,949	1,629,497	1,956,534	43,041,986
12	CALIFORNIA	CENTRAL	$165,731,851	20,762,701	13,152,537	25,867,074	12,515,271	238,029,434
97	CALIFORNIA	EASTERN	$13,265,282	1,527,477	2,302,345	880,258	884,808	18,860,170
98	CALIFORNIA	SOUTHERN	$34,059,949	9,226,957	2,213,836	3,224,743	1,208,009	49,933,494
13	COLORADO		$15,428,822	1,153,198	1,782,016	1,664,636	574,993	20,603,665
14	CONNECTCUT		$14,486,508	1,248,213	480,273	543,176	135,093	16,893,263
15	DELAWARE		$3,054,807	516,896	467,086	689,725	223,104	4,951,618
16	DIST of COLUMBIA		$5,797,516	316,416	797,396	206,256	125,228	7,242,812
4	FLORIDA	SOUTHERN	$35,633,530	9,403,697	18,787,031	21,002,125	9,535,234	94,361,617
17	FLORIDA	NORTHERN	$5,477,346	624,353	3,417,840	2,782,252	2,266,397	14,568,188
18	FLORIDA	MIDDLE	$13,725,767	2,851,324	4,840,331	7,767,716	4,178,974	33,364,112
19	GEORGIA	NORTHERN	$19,622,901	5,813,391	5,499,921	3,746,761	4,459,500	39,142,474
20	GEORGIA	MIDDLE	$5,140,460	1,298,000	509,541	406,300	2,009,026	9,363,327
21	GEORGIA	SOUTHERN	$6,523,467	1,092,359	578,226	902,587	1,449,932	10,546,571
22	HAWAII		$6,352,795	3,698,756	1,124,111	1,755,873	1,088,192	14,019,727
23	IDAHO		$922,983	173,250	322,311	131,740	175,503	1,725,787
24	ILLINOIS	NORTHERN	$17,485,598	4,155,407	6,082,125	4,072,288	2,102,347	33,897,765
25	ILLINOIS	SOUTHERN	$4,721,750	1,092,832	770,296	2,893,479	552,077	10,030,434
26	ILLINOIS	CENTRAL	$3,474,645	422,279	848,554	366,028	252,175	5,363,681
27	INDIANA	NORTHERN	$4,263,862	573,623	1,218,686	967,493	2,982,334	10,005,998
28	INDIANA	SOUTHERN	$4,088,775	1,639,917	1,068,517	1,534,561	901,049	9,232,819
29	IOWA	NORTHERN	$1,265,316	354,337	236,354	276,773	115,281	2,248,061
30	IOWA	SOUTHERN	$1,813,869	1,194,296	951,150	884,056	1,033,744	5,877,115
31	KANSAS		$2,930,820	1,065,515	1,620,000	1,473,665	1,245,746	8,335,746
32	KENTUCKY	EASTERN	$4,621,462	2,031,669	980,206	1,222,342	1,282,411	10,138,090
33	KENTUCKY	WESTERN	$2,681,639	603,656	1,062,616	324,561	261,352	4,933,824
34	LOUISIANA	EASTERN	$7,967,855	2,342,430	1,917,471	2,614,919	1,077,661	15,920,336
35	LOUISIANA	WESTERN	$2,786,606	184,058	330,234	72,615	124,254	3,497,767
95	LOUISIANA	MIDDLE	$1,648,752	60,276	68,605	95,315	428,462	2,301,410
36	MAINE		$3,408,307	179,288	418,004	385,947	191,308	4,582,854
37	MARYLAND		$12,444,146	1,996,056	2,798,498	3,020,555	3,046,731	23,305,986
38	MASSACHUSETTS		$10,869,955	4,891,488	2,897,233	1,798,324	1,560,520	22,017,520
39	MICHIGAN	EASTERN	$21,297,556	5,412,538	8,626,317	3,905,098	4,142,406	43,383,915
40	MICHIGAN	WESTERN	$3,224,940	565,289	785,686	390,325	382,002	5,348,242
41	MINNESOTA		$6,668,672	1,794,588	1,777,169	813,057	678,871	11,732,357
42	MISSISSIPPI	NORTHERN	$1,749,241	142,752	161,164	127,433	41,386	2,221,976
43	MISSISSIPPI	SOUTHERN	$4,536,822	1,343,592	802,542	1,464,637	760,960	8,908,553
44	MISSOURI	EASTERN	$13,701,803	4,009,317	2,620,028	3,297,276	3,579,527	27,207,951
45	MISSOURI	WESTERN	$6,632,434	2,130,886	2,827,322	962,353	1,161,402	13,714,397
46	MONTANA		$646,785	728,100	232,041	164,498	275,877	2,047,301
47	NEBRASKA		$1,884,898	1,376,453	451,601	456,685	361,338	4,530,975
48	NEVADA		$8,722,749	2,177,746	757,206	1,485,157	557,361	13,700,219
49	NEW HAMPSHIRE		$1,552,023	252,669	302,355	206,271	134,645	2,447,963
50	NEW JERSEY		$5,781,368	2,532,266	2,044,760	1,094,010	1,303,568	12,755,972
51	NEW MEXICO		$6,538,165	2,243,430	1,778,367	1,896,785	613,664	13,070,411
52	NEW YORK	NORTHERN	$6,444,776	1,155,609	1,167,662	1,478,693	693,895	10,940,635
53	NEW YORK	EASTERN	$89,739,345	13,818,369	18,441,582	18,584,734	10,744,880	151,328,910
54	NEW YORK	SOUTHERN	$29,286,025	5,980,475	12,122,704	12,390,582	6,337,337	66,117,123
55	NEW YORK	WESTERN	$10,671,049	2,092,358	3,174,469	1,356,797	1,654,672	18,949,345
56	N.CAROLINA	EASTERN	$11,440,215	1,446,143	1,791,736	1,971,933	1,360,970	18,010,997
57	N.CAROLINA	MIDDLE	$8,205,599	2,267,580	1,444,378	658,025	690,071	13,265,653
58	N.CAROLINA	WESTERN	$6,874,491	1,719,374	2,640,130	2,108,830	1,233,337	14,576,162
59	N.DAKOTA		$268,487	56,961	45,888	8,877	1,969	382,182
60	OHIO	NORTHERN	$6,669,522	1,994,601	3,117,140	1,669,836	2,912,446	16,363,545
61	OHIO	SOUTHERN	$11,003,371	3,771,685	2,786,248	1,767,490	3,221,799	22,550,593
62	OKLAHOMA	NORTHERN	$3,994,504	394,360	289,241	839,884	77,961	5,595,950
63	OKLAHOMA	EASTERN	$691,695	268,366	216,137	744,073	285,879	2,206,150
64	OKLAHOMA	WESTERN	$5,801,446	446,315	428,248	702,749	380,107	7,758,865
65	OREGON		$12,048,803	3,343,559	2,586,230	1,090,362	323,675	19,392,629
66	PENNSYLVANIA	EASTERN	$7,462,439	1,477,374	2,758,843	3,360,389	1,151,626	16,210,671

ASSETS FORFEITURE FUND
EQUITABLE SHARING DISBURSEMENTS
FISCAL YEAR 1996
(by District)
September 30, 1996

#	JUDICIAL DISTRICT		FY 1986 – FY 1992	FY 1993	FY 1994	FY 1995	FY 1996	TOTAL TO DATE
67	PENNSYLVANIA	MIDDLE	$2,798,345	269,342	226,842	166,199	162,882	3,623,610
68	PENNSYLVANIA	WESTERN	$3,169,240	1,034,532	796,026	409,221	628,396	6,037,415
69	PUERTO RICO		$5,633,109	1,354,748	2,824,734	3,483,578	2,019,488	15,315,657
70	RHODE ISLAND		$4,306,039	257,548	674,635	272,549	363,636	5,874,407
71	S.CAROLINA		$10,584,816	1,341,711	1,266,138	2,533,908	2,219,003	17,945,576
73	S.DAKOTA		$281,708	43,122	19,778	19,341	10,497	374,446
74	TENNESSEE	EASTERN	$2,580,191	1,133,165	612,124	1,544,449	896,265	6,766,194
75	TENNESSEE	MIDDLE	$3,268,540	1,508,710	1,271,430	721,193	376,825	7,146,698
76	TENNESSEE	WESTERN	$7,133,065	1,573,618	1,508,662	1,070,691	912,487	12,198,523
77	TEXAS	NORTHERN	$22,319,143	7,294,356	5,858,296	3,944,104	3,280,637	42,696,536
78	TEXAS	EASTERN	$5,027,197	1,373,078	1,553,851	2,016,879	790,054	10,761,059
79	TEXAS	SOUTHERN	$40,516,626	7,891,817	11,994,876	12,156,994	8,736,829	81,297,142
80	TEXAS	WESTERN	$21,997,833	5,852,060	4,358,832	3,263,889	2,529,894	38,002,508
81	UTAH		$2,415,559	1,131,784	437,450	242,163	86,003	4,312,959
82	VERMONT		$2,041,558	920,647	427,884	232,677	181,045	3,803,811
83	VIRGINIA	EASTERN	$17,612,859	3,979,003	3,616,442	1,820,648	791,113	27,820,065
84	VIRGINIA	WESTERN	$4,087,199	1,160,470	1,278,282	1,186,846	988,883	8,701,680
85	WASHINGTON	EASTERN	$1,504,297	1,452,178	486,732	494,022	259,106	4,196,335
86	WASHINGTON	WESTERN	$4,138,187	1,494,278	1,112,802	1,386,910	912,469	9,044,646
87	WEST VIRGINIA	NORTHERN	$740,795	140,949	428,247	433,754	54,387	1,798,132
88	WEST VIRGINIA	SOUTHERN	$3,143,578	661,683	202,822	123,982	334,026	4,466,091
89	WISCONSIN	EASTERN	$8,160,294	1,682,609	1,733,798	1,589,075	898,342	14,064,118
90	WISCONSIN	WESTERN	$1,739,944	364,345	461,914	316,147	405,575	3,287,925
91	WYOMING		$1,172,261	217,391	67,376	33,092	31,617	1,521,737
5	N. MARIANA IS.		$0	0	0	0	0	0
93	GUAM		$68,337	70,329	85,896	614,041	77,459	916,062
94	VIRGIN ISLANDS		$277,305	39,155	10,834	19,120	21,364	367,778
	FOREIGN GOVT		$12,369,471	11,364,985	8,662,478	6,319,620	3,533,417	42,249,971
	OTHER		$1,700	0	0	0	0	1,700
	GRAND TOTALS:		**$979,650,378**	**$214,342,359**	**$221,457,397**	**$211,409,804**	**$140,749,391**	**$1,767,609,329**

ASSETS FORFEITURE FUND
NET DEPOSITS ❶
(BY STATE)
as of September 30, 1996

STATE or TERRITORY	USMS REGION	FY 1985 – FY 1992	FY 1993	FY 1994	FY 1995	FY 1996	TOTAL TO DATE
ALABAMA	BIRMINGHAM	$21,735,026	$4,935,387	$5,365,614	$2,515,067	$3,669,664	$38,220,758
ALASKA	ANCHORAGE	7,755,709	3,318,037	1,421,460	1,891,509	318,349	14,705,065
ARIZONA	HOUSTON	33,896,825	10,305,239	7,998,808	7,349,883	3,790,894	63,341,650
ARKANSAS	ST. LOUIS	6,727,629	1,961,360	1,904,341	641,975	1,051,098	12,286,402
CALIFORNIA	SAN DIEGO	439,977,677	65,198,176	66,407,398	58,651,762	57,098,099	687,333,111
COLORADO	ST. LOUIS	26,043,016	3,079,173	15,027,763	1,333,059	1,239,729	46,722,739
CONNECTCUT	NEW YORK	26,011,442	2,380,508	1,976,508	976,851	499,318	31,844,626
DELAWARE	NEW YORK	5,029,934	652,750	794,971	943,799	358,538	7,779,993
DIST of COLUMBIA	NEW YORK	4,795,779	2,619,824	1,667,638	1,368,413	3,881,255	14,332,911
FLORIDA	MIAMI	280,632,725	58,979,014	72,278,359	55,688,416	56,631,492	524,210,005
GEORGIA	ATLANTA	67,858,386	22,072,578	8,782,101	12,838,461	10,522,842	122,074,367
GUAM	SAN DIEGO	217,403	94,144	239,500	801,168	291,800	1,644,014
HAWAII	SEATTLE	23,119,888	5,433,227	5,814,153	1,668,077	1,270,877	37,306,222
IDAHO	SEATTLE	1,787,970	604,051	2,085,151	447,495	295,693	5,220,360
ILLINOIS	CHICAGO	66,748,304	17,058,645	11,555,685	15,309,683	6,020,818	116,693,135
INDIANA	CHICAGO	16,523,010	3,160,247	4,506,894	6,771,981	2,502,903	33,465,035
IOWA	ST. LOUIS	5,213,859	2,044,796	1,796,955	2,169,348	1,769,770	12,994,728
KANSAS	ST. LOUIS	4,473,036	1,392,437	2,101,578	1,761,842	1,639,857	11,368,750
KENTUCKY	CHICAGO	11,271,349	4,628,763	2,405,628	2,693,107	2,597,569	23,596,415
LOUISIANA	HOUSTON	26,561,618	4,739,928	3,498,110	4,347,217	2,820,545	41,967,417
MAINE	NEW YORK	5,782,293	611,990	362,494	491,923	722,109	7,970,809
MARYLAND	NEW YORK	26,700,114	3,433,295	5,252,136	5,870,886	6,021,621	47,278,050
MASSACHUSETTS	NEW YORK	29,417,829	10,939,352	3,618,461	2,928,956	2,694,834	49,599,432
MICHIGAN	CHICAGO	48,603,418	15,393,362	12,068,607	8,426,057	8,623,354	93,114,797
MINNESOTA	ST. LOUIS	13,615,498	2,493,776	4,953,913	3,136,649	2,589,752	26,789,589
MISSISSIPPI	ATLANTA	11,395,245	2,678,171	1,307,436	2,210,112	1,214,932	18,805,896
MISSOURI	ST. LOUIS	29,012,128	8,460,792	7,121,929	5,457,481	7,457,914	57,510,243
MONTANA	SEATTLE	1,775,896	1,298,750	739,052	517,223	371,417	4,702,339
NEBRASKA	ST. LOUIS	2,552,590	1,786,343	624,755	640,489	657,609	6,261,785
NEVADA	SAN DIEGO	21,173,942	2,630,650	2,509,070	3,790,646	1,467,722	31,572,031
NEW HAMPSHIRE	NEW YORK	2,886,946	562,714	429,685	191,847	575,752	4,646,944
NEW JERSEY	NEW YORK	18,080,113	6,119,580	1,990,552	5,883,310	3,606,329	35,679,884
NEW MEXICO	HOUSTON	13,773,321	3,149,228	6,567,905	3,845,412	1,388,584	28,724,451
NEW YORK	NEW YORK	773,507,629	106,665,133	87,479,693	103,407,480	47,914,312	1,118,974,247
N.CAROLINA	ATLANTA	39,972,491	12,048,435	10,906,500	8,077,613	6,493,953	77,498,993
N.DAKOTA	ST. LOUIS	433,836	168,457	51,587	3,544	38,610	696,033
N. MARIANA IS.		9,877	0	0	0	0	9,877
OHIO	CHICAGO	29,849,083	11,533,940	8,555,809	5,211,214	9,245,945	64,395,989
OKLAHOMA	ST. LOUIS	16,148,920	2,562,168	2,528,810	3,085,157	1,385,150	25,710,206
OREGON	SEATTLE	19,385,185	5,039,293	5,573,805	2,306,010	1,745,999	34,050,292
PENNSYLVANIA	NEW YORK	56,703,816	11,360,527	15,284,073	6,582,366	6,394,871	96,325,653
PUERTO RICO	MIAMI	35,898,165	6,726,421	9,179,300	11,709,001	9,061,262	72,574,149
RHODE ISLAND	NEW YORK	6,750,209	627,886	1,243,388	628,956	1,417,205	10,667,643
S.CAROLINA	ATLANTA	13,445,095	2,032,596	2,279,568	4,581,782	5,573,170	27,912,211
S.DAKOTA	ST. LOUIS	1,007,921	169,696	16,355	24,540	43,960	1,262,473
TENNESSEE	ATLANTA	21,887,583	7,531,115	4,440,011	5,074,596	3,927,544	42,860,849
TEXAS	HOUSTON	205,031,914	57,836,413	46,775,815	50,336,889	31,120,940	391,101,971
UTAH	SEATTLE	3,759,112	2,383,654	1,835,185	63,564	401,166	8,442,680
VERMONT	NEW YORK	4,429,275	1,061,344	733,377	376,242	509,196	7,109,435
VIRGIN ISLANDS	MIAMI	2,023,625	419,130	161,760	55,675	217,705	2,877,895
VIRGINIA	NEW YORK	42,524,557	10,618,079	8,399,742	5,742,590	10,512,309	77,797,276
WASHINGTON	SEATTLE	21,388,964	7,582,544	5,590,767	3,630,058	3,660,733	41,853,066
WEST VIRGINIA	CHICAGO	5,989,636	1,371,855	462,111	663,143	706,144	9,192,889
WISCONSIN	CHICAGO	18,038,682	2,801,762	3,075,708	2,640,669	2,658,335	29,215,155
WYOMING	SEATTLE	1,535,884	606,694	107,181	53,877	16,589	2,320,225
OTHER		51,281,108	5,642,959	11,216,576	15,981,902	12,797,461	96,920,006 1/
INVESTMENT INCOME		41,808,835	15,001,615	16,999,708	29,269,249	28,102,117	131,181,524
	SUBTOTAL:	$2,713,961,319	$546,008,003	$508,071,436	$483,066,219	$379,607,714	$4,630,714,691
BCCI Investment		5,998,537	9,699,036	13,621,024	4,479,297 2/	(13,233,038)3/	20,564,856
BCCI Income		0		28,240,886	0	(28,240,887)	(1)
GRAND TOTAL:		$2,719,959,856	$555,707,039	$549,933,346	$487,545,517	$338,133,789	$4,651,279,546

❶ These figures represent official accounting transactions. They do not reflect total forfeiture activity for any jurisdiction

1/ The "Other" line is comprised of deposits made to the Assets Forfeiture Fund (AFF) where a district has not been identified. Examples are U.S. Treasury Assets Forfeiture Fund reimbursements for U.S. Attorneys costs and Consolidated Asset Tracking System costs, GSA sales, INS mitigation payments, and AFF portions of BCCI distributions.

2/ The BCCI total interest earned in FY 95 is $25,561,338.83. In conjunction with the BCCI interest earned, there was a BCCI disbursement of interest pursuant to court order signed 8/18/95 and filed 8/28/95 (Criminal No. 91–0655, Defendants 01–04). The transfer occurred in September 1995, in the amount of $21,082,041.45, resulting in net interest earned in FY 95 of $4,479,297.

3/ The BCCI interest earned through September 1996 for FY 96 is $15,452,001.27. Of this amount, $1,293,426.42 was disbursed for interest earned on the UBAF case along with a principal amount of $17,755,323.57 in October 1995. In addition, $885,545.89 was transferred from BCCI to Non – BCCI in August 1996 to reimburse the AFF for some of the legal costs incurred in BCCI case and $11,103,745.05 of interest earned on BCCI cases along with the principal amount of $72,548,118.19 was transferred to the WVF in August 1996. Also, $15,402,321.53 of interest earned on BCCI cases along with the principal amount of $10,632,764.47 was transferred to the FDIC in September, resulting in net interest earned through September 1996 of ($13,233,038).

Appendix E

Cash and Financial Instruments
Properties on Hand Pending Forfeiture
as of September 30, 1996
with Equity Valued at $1 Million or More

District	Case/Asset No	Description	Appraised Value
Arizona	95-DEA-301027 MQ-95-0004	U.S. Currency	$ 1,990,830
California/ND	93-FBI505447 29D-SF-88121	U.S. Currency	$ 2,497,054
California/ND	92-FBI-505160 29D-SF-88121	Bank Account	$ 1,868,829
California/CD	96-DEA-303524 RQ-95-0027	U.S. Currency	$ 1,789,012
California/CD	96-DEA-304517 R1-96-0048	U.S. Currency	$ 2,704,504
Florida/ND	92-FBI-00237 145B-JK-33639	Promissory Note	$ 1,000,000
Florida/ND	95-DEA-331249 KD-89-Z001	U.S. Currency	$ 2,730,902
Florida/ND	91-DEA-33438 KD-89-Z001	Promissory Note	$ 1,795,487
Florida/SD	96-DEA-316191 GS-96-0197	U.S. Currency	$ 1,397,756
Florida/SD	96-DEA-317163 G1-96-0279	2 Bank Accounts	$ 1,077,615
Florida/SD	G1-92-0088	U.S. Currency	$ 2,164,635
Florida/MD	93-FBI-000321 213A-NY-229060	244 Miscellaneous Bonds and Stocks	$ 1,174,805
Florida/MD	94-DEA-333625 GU-90-X010	U.S. Currency	$ 1,212,509

Source: Consolidated Asset Tracking System (CATS) and Seized Assets Management System (SAMS)

District	Case/Asset No	Description	Appraised Value
Georgia/SD	96-DEA-310073 G9-96-0053	U.S. Currency	$ 1,351,865
Illinois/ND	95-DEA-325699 I1-95-0242	U.S. Currency	$ 9,271,070
Illinois/ND	95-DEA-335217 I1-91-Z006	U.S. Currency	$ 2,836,718
Illinois/ND	96-DEA-313860 I1-93-0160	U.S. Currency	$ 1,146,784
Illinois/ND	96-DEA-317956 I1-96-0281	U.S. Currency	$ 1,270,000
Illinois/ND	C1-95-0199	U.S. Currency	$ 1,165,285
Illinois/ND	95-DEA-335217 I1-91-Z006	U.S. Currency	$ 2,836,718
Illinois/ND	96-DEA-313860 I1-93-0160	U.S. Currency	$ 1,146,640
Louisiana/ED	96-FBI-002252 196D-N0--52386	U.S. Currency	$ 8,881,168
Louisiana/ED	96-2450-J	U.S. Currency	$ 8,870,829
Massachusetts	93-DEA-322442 CC-93-X015	Certificates of Deposit	$ 3,200,000
Massachusetts	93-DEA-322446	Certificates of Deposit and Stock Certificates	$ 3,200,000
Massachusetts	CA-94-10200	U.S. Currency	$ 1,400,000
Michigan/ED	93-DEA-328074 I7-92-Z006	U.S. Currency	$ 1,264,410
Missouri/ED	94-DEA-317933 IS-94-0020	U.S Currency	$ 1,010,270
Nevada	92-USP-000162 600-1092404-FB(1)	Bank Account	$ 1,055,395
New Jersey	3510-94-009	U.S. Currency	$ 2,669,665

Source: Consolidated Asset Tracking System (CATS) and Seized Assets Management System (SAMS)

District	Case/Asset No	Description	Appraised Value
New Jersey	96-FBI-001417 46E-NK-63962	U.S. Currency	$ 1,963,460
New Jersey	95-DEA-323497 CT-94-0064	U.S. Currency	$ 2,002,773
New Jersey	92-DEA-33630 G1-92-Z016	Bank Account	$ 1,253,542
New York/ED	93-DEA-327449 CT-95-0075	U.S. Currency	$ 1,805,573
New York/ED	CV93-0624	U.S. Currency	$ 1,855,484
New York/ED	93-DEA-327449 C1-93-0048	U.S. Currency	$ 1,297,858
New York/SD	92-FBI-000379 29B-WF-171994	U.S. Currency	$34,891,523
New York/SD	92-FBI-000385 29B-WF-171994	US Currency	$20,241,169
New York/SD	92-FBI-000387 29BWE-171994	US Currency	$23,329,555
New York/SD	92-FBI-00377 29B-WF-171994	US Currency	$ 4,060,293
New York/SD	92-FBI-00381 29B-WF-17994	U.S. Currency	$ 4,925,000
New York/SD	96-DEA-327142 CJ-96-0037	Bank Account	$ 1,475,075
New York/SD	92-FBI-000378 29B-WF-171994	U.S. Currency	$15,220,667
New York/SD	91CR0655	U.S. Deposit	$36,815,371
New York/SD	91CR0655	U.S. Deposit	$14,864,620
New York/SD	91CR0655	U.S. Deposit	$58,670,444
New York/SD	91CR0655	U.S. Deposit	$18,868,708
New York/SD	91CR0655	U.S. Deposit	$ 1,436,630

Source: Consolidated Asset Tracking System (CATS) and Seized Assets Management System (SAMS)

District	Case/Asset No	Description	Appraised Value
New York/SD	92CR455	U.S. Currency	$ 2,746,279
New York/SD	96-DEA-309046 C1-96-0082	Bank Account	$ 5,024,081
New York/SD	96-DEA-313915 C1-96-0238	U.S. Currency	$ 2,000,561
New York/WD	94-FBI-000914 275A-BF-30772	U.S. Currency	$ 1,900,000
Ohio/ND	96-DEA-314007 I8-96-0051	U.S. Currency	$ 1,371,616
Pennsylvania/ED	92-USP-000443 476-1057433	Canadian Bank Drafts	$ 1,607,599
Pennsylvania/ED	CR-93-255-02	U.S. Currency	$ 1,170,786
Pennsylvania/ED	95-FBI-001270 20913-PH-70546	U.S. Currency	$ 2,000,000
Virginia/ED	96-0061R	U.S. Currency	$13,582,841
Virginia/ED	96-0061R	U.S. Currency	$20,701,863
Virginia/ED	96-0061R	U.S. Currency	$ 2,110,335
Virginia/ED	96-0061R	U.S. Currency	$ 5,000,000
Virginia/ED	96-0061R	U.S. Currency	$ 8,500,000
Virginia/ED	96-0061R	U.S. Currency	$ 2,500,000
Virginia/ED	96-0061R	U.S. Currency	$17,720,000
Virginia/ED	96-0061R	U.S. Currency	$ 6,187,500
Virginia/ED	96-0061R	U.S. Currency	$16,000,000
Virginia/ED	96-0061R	U.S. Currency	$16,000,000

Source: Consolidated Asset Tracking System (CATS) and Seized Assets Management System (SAMS)

Real Properties on Hand Pending Forfeiture as of September 30, 1996 with Equity Valued at $1 Million or More

District	Case/Asset No	Description	Appraised Value	Liens
California/CD	89-1124	420 W. Lexington Drive, Glendale, CA	$ 2,675,000	0
Florida/SD	90-DEA-326789 GS-86-Z002	8401-8425 NW 8th Street, Miami Fl	$ 2,920,000	0
Florida/SD	90-DEA-333893 G1-190-Z016	Tract "C" Mirador Park	$ 1,190,000	0
Florida/SD	92-0230C	4440 W. 16th Avenue, Hialeah, FL	$ 1,150,000	n/a
Louisiana/ED	91-USP-000034 665-1009701- PMO(1)	JILBRU Inc.	$ 1,092,000	0
Michigan/ED	92-FBI-000236	Wolverine Golf Course	$12,250,000	0
New Jersey	CA-93-1282	78 Fox Hedge Road, Saddle River, NJ	$ 1,399,000	0
New York/ED	93-DEA-338801 CT-91-Z005	District 0400 County of Suffolk. NY	$ 2,518,000	0
New York/SD	93-DEA-328887 C1-93-0059	558-560 W. 165 Street, New York, NY	$ 1,630,000	0

Source: Consolidated Asset Tracking System (CATS) and Seized Assets Management System (SAMS)

Other Properties on Hand Pending Forfeiture as of September 30, 1996 with Equity Valued at $1 Million or More

District	Case/Asset No	Description	Appraised Value	Liens
California/CD	87-879 X/FL(CR)	Bicycle Club, Bell Gardens, CA	$24,000,000	0-
Florida/MD	95-1947-T	Cases of frozen shrimp	$ 3,666,435	n/a
Georgia/ND	95-DEA-328368 G-392-Z004	3 Paintings - Rubens, Reynolds, & Picasso	$13,000,000	0
Wisconsin/ED	90-DEA-083174 MN-90-Z005	Douglas DC-3 Turbo Prop Conversion Aircraft	$ 1,800,000	0
Wisconsin/ED	90-DEA-333127 I3-90-0031	Douglas DC3 Turbo Prop Aircraft	$ 1,750,000	0
Wisconsin/ED	90-C-1827	DC-3 Turbo Prop Douglas Aircraft	$ 2,350,000	0

Source: Consolidated Asset Tracking System (CATS) and Seized Assets Management System (SAMS)

Appendix F

Note: The accompanying financial statements represent the financial position and results of operations of the Assets Forfeiture Fund and the Seized Asset Deposit Fund. They do not include salaries and administrative expenses of the Asset Forfeiture Program participants. These financial statements are part of the FY 1996 Annual Financial Statement. The overview and supplemental financial and management information contained in the FY 1996 Annual Financial Statement have not been included in this report. The auditor's reports on the FY 1996 financial statement, along with the Reports on the Internal Control Structure and Compliance with Laws and Regulations, related solely to the FY 1996 Annual Financial Statement and not to the information contained in this report.

During the audit of the FY 1997 financial statements, the Asset Forfeiture Management Staff became aware of information affecting the FY 1996 financial statements and related disclosures for seized and forfeited property. As of the publication date, the effect on the financial statement and related disclosures of this additional information discovered has not been determined. Management is currently researching the nature and effect of the matter identified, and the results, if material, will be properly reported.

CERTIFIED PUBLIC ACCOUNTANTS
AND MANAGEMENT CONSULTANTS

BROWN & COMPANY

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

U.S. Department of Justice
Washington, D.C.

We have audited the accompanying statements of financial position of the Department of Justice Asset Forfeiture Program as of September 30, 1996 and 1995, and the related statements of operations and changes in net position for the years then ended. We have also audited the combining statements of financial position as of September 30, 1996 and 1995. These financial statements are the responsibility of the U.S. Department of Justice. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards; *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 93-06, *Audit Requirements for Federal Financial Statements*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the principal financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Note 1, these financial statements were prepared in accordance with OMB Bulletin 94-01, *Form and Content of Agency Financial Statements*, which constitutes a comprehensive basis of accounting other than generally accepted accounting principles. Further, the OMB granted the Department a waiver of the OMB Bulletin 94-01 requirement to prepare the Statement of Cash Flows and the Statement of Budgetary Resources and Actual Expenses.

In our opinion, the financial statements referred to in the first paragraph above present fairly, in all material respects, the financial position of the Department of Justice Asset Forfeiture Program as of September 30, 1996 and 1995, and the results of its operations and changes in net position for the years then ended in conformity with the basis of accounting described in Note 1. Also, in our opinion, the combining statements present fairly, in all material respects, the financial position of each of the individual funds comprising the Asset Forfeiture Program as of September 30, 1996 and 1995, in conformity with the accounting policies described in Note 1.

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In accordance with *Government Auditing Standards*, we have also issued a report dated February 14, 1997, on our consideration of the Department of Justice Asset Forfeiture Program's internal control structure and a report dated February 14, 1997, on its compliance with laws and regulations.

Our audits were conducted for the purpose of forming an opinion on the principal financial statements described above. We have inspected the financial information presented in management's overview of the Asset Forfeiture Program and in the supplemental financial and management information. The information presented in the overview and supplemental financial and management information is provided for the purposes of additional analysis. Such information has not been audited by us and, accordingly, we do not express our opinion on this information.

Brown & Company

February 14, 1997
Arlington, Virginia

BROWN & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS
AND MANAGEMENT CONSULTANTS

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL

U.S. Department of Justice
Washington, D.C.

We have audited the principal financial statements of the Department of Justice Asset Forfeiture Program as of and for the years ended September 30, 1996 and 1995, and have issued our report thereon dated February 14, 1997.

We conducted our audits in accordance with generally accepted auditing standards, *Government Auditing Standards*, issued by the Comptroller General of the United States, and Office of Management and Budget (OMB) Bulletin No. 93-06, *Audit Requirements for Federal Financial Statements*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the principal financial statements are free of material misstatement.

The management of the Asset Forfeiture Program is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of the principal financial statements in accordance with OMB Bulletin 94-01, *Form and Content of Agency Financial Statements*. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of the policies and procedures may deteriorate.

In planning and performing our audits of the principal financial statements of the Asset Forfeiture Program for the years ended September 30, 1996 and 1995, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the principal financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion. We also reviewed and tested the Asset Forfeiture Program's policies, procedures, and systems for documenting and supporting financial, statistical, and other information presented in the overview and supplemental financial and management information.

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We noted a matter involving the internal control structure and its operation that we consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants and OMB Bulletin 93-06. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the Department of Justice's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

Improper Classification of Unliquidated Obligations (Repeat Condition)

At the end of each fiscal year, the Asset Forfeiture Management Staff (AFMS) reviews recorded expenses and unliquidated obligations under the Assets Forfeiture Fund and prepares adjustments to reclassify transactions recorded by the various Department of Justice organizations that participate in the Asset Forfeiture Program (AFP). For the preparation of the FY 1996 financial statements, the AFMS reclassified to delivered order status unliquidated obligations of $7,055,337 which were recorded by the United States Marshals Service as undelivered orders. Unliquidated obligations reclassified by the AFMS from undelivered to delivered order status for the FY 1995 financial statements involved eleven USMS district offices and totalled $3,124,558. For FY 1996, however, only two USMS district offices did not properly classify unliquidated obligations. USMS closing procedures have been enhanced to ensure that significant year-end adjustments by the AFMS will not be necessary in the future for the preparation of accurate financial statements.

Recommendation 1

We recommend that USMS headquarters personnel follow-up with the two district offices to ensure that the district office personnel properly perform year-end close-out procedures.

A material weakness is a reportable condition in which the design or operation of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we do not believe the reportable condition described above to be a material weakness.

We also noted other matters involving the internal control structure of the Department of Justice Asset Forfeiture Program that we have reported to the Justice Management Division in a separate letter dated February 14, 1997.

This report is intended for the information of the management of the U.S. Department of Justice. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Brown & Company

February 14, 1997
Arlington, Virginia

CERTIFIED PUBLIC ACCOUNTANTS
AND MANAGEMENT CONSULTANTS

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE

U.S. Department of Justice
Washington, D.C.

We have audited the principal financial statements of the Department of Justice Asset Forfeiture Program as of and for the years ended September 30, 1996 and 1995, and have issued our report thereon dated February 14, 1997.

We conducted our audits in accordance with generally accepted auditing standards, *Government Auditing Standards*, issued by the Comptroller General of the United States, and the Office of Management and Budget (OMB) Bulletin No. 93-06, *Audit Requirements for Federal Financial Statements*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the principal financial statements are free of material misstatement.

Compliance with laws and regulations applicable to the Asset Forfeiture Program is the responsibility of the U.S. Department of Justice. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of compliance with laws and regulations designated by OMB and the U.S. Department of Justice. As part of our audits, we reviewed management's process for evaluating and reporting on internal control and accounting systems as required by the Federal Managers' Financial Integrity Act and compared the agency's most recent reports required by the Act with the evaluation we conducted of the Asset Forfeiture Program's internal control structure. However, providing an opinion on overall compliance with such provisions was not an objective of our audit of the financial statements. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported herein under *Government Auditing Standards*.

This report is intended for the information of the management of the U.S. Department of Justice. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Brown & Company

February 14, 1997
Arlington, Virginia

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DEPARTMENT OF JUSTICE
Asset Forfeiture Program
Statement of Financial Position
as of September 30, 1996 and 1995

Dollars in Thousands	1996	1995
ASSETS		
Entity Assets:		
Intragovernmental Assets:		
Fund Balance with U.S. Treasury (Note 2)	$80,685	$188,908
Refunds Receivable - Federal	0	0
Investments - Federal Securities, Net (Note 3)	281,064	292,933
Governmental Assets:		
Travel Advances	3	2
Forfeited Property - Net (Note 4)	119,594	183,886
Total Entity Assets	**$481,346**	**$665,729**
Non-Entity Assets:		
Fund Balance with U.S. Treasury (Note 2)	$56,778	$71,040
Investments - Federal Securities, Net (Note 3)	587,934	547,190
Total Non-Entity Assets	**$644,712**	**$618,230**
Total Assets	$1,126,058	$1,283,959
LIABILITIES		
Liabilities Covered by Budgetary Resources:		
Intragovernmental Liabilities:		
Accounts Payable (Note 6)	$5,751	$7,478
Governmental Liabilities:		
Accounts Payable (Note 6)	135,292	304,516
Accrued Payroll	0	569
Unexpended Prior Year Surplus	1,529	9,000
Deferred Revenue (Note 4)	119,594	183,886
Deposit Fund (Note 7)	644,712	618,230
Total Liabilities	**$906,878**	**$1,123,679**
NET POSITION (Note 8)		
Cumulative Results of Operations	$193,154	$95,746
Cumulative Results of Operations, Unallocated Prior Year Surplus	5,461	2,461
Cumulative Results of Operations, BCCI Income Subject to Court Order	20,565	62,073
Net Position	**$219,180**	**$160,280**
Total Liabilities & Net Position	$1,126,058	$1,283,959

The accompanying notes are an integral part of these financial statements.

DEPARTMENT OF JUSTICE
Asset Forfeiture Program
Statement of Operations and Changes in Net Position
for fiscal years ended September 30, 1996 and 1995

Dollars in Thousands	1996	1995
Revenue		
Federal Sources:		
Investment Income (Note 9)	$42,669	$54,831
Public Sources:		
Forfeited Cash (Note 10)	$432,237	$551,156
Sales of Forfeited Property	73,506	143,063
Penalties in Lieu of Forfeiture	17,834	9,997
Recovery of Returned Asset Management Costs	4,814	3,543
Forfeited Property Revenue (Note 11)	10,077	12,637
Miscellaneous Income	13,596	1,817
Return of Forfeiture Income (Note 12)	(246,522)	(276,860)
Total Revenue	**$348,211**	**$500,184**
Expenses (Note 13)		
Forfeiture Program Expenses:		
Payments to Innocent Third Parties	$15,932	$40,171
Asset Management Expenses	23,036	36,536
Special Contract Services	32,199	41,375
ADP Equipment	25,361	21,508
Forfeiture Case Prosecution	761	9,104
Forfeiture Training and Printing	(1,237)	3,945
Other Program Management	6,354	6,921
Total Forfeiture Program Expenses	**$102,406**	**$159,560**
Distribution of Revenues:		
Equitable Sharing Payments	$149,978	$223,863
Awards for Information	9,409	20,130
Purchase of Evidence	819	8,925
Equipping of Conveyances and Miscellaneous	2,385	2,801
Joint Law Enforcement Operations	16,453	28,853
Contracts to Identify Assets	1,275	2,884
Transfers of Forfeited Property Revenue (Note 11)	10,077	12,637
Total Distributions	**$190,396**	**$300,093**
Total Expenses and Distributions	**$292,802**	**$459,653**
Excess of Revenues over Expenses and Distributions	**$55,409**	**$40,531**
Net Position, Beginning Balance	**160,280**	**126,999**
Allocation of Prior Year Surplus (Note 14)	**3,000**	**(7,250)**
Transfers (Note 15)	**491**	**0**
Net Position, Ending Balance	**$219,180**	**$160,280**

The accompanying notes are an integral part of these financial statements.

DEPARTMENT OF JUSTICE
Asset Forfeiture Program
Combining Statement of Financial Position
as of September 30, 1996 and 1995

Dollars in Thousands	1996			1995		
	AFF	SADF	Total	AFF	SADF	Total
ASSETS						
Entity Assets:						
Intragovernmental Assets:						
Fund Balance with U.S. Treasury (Note 2)	$80,685	$0	$80,685	$188,908	$0	$188,908
Refunds Receivable - Federal	0	0	0	0	0	0
Investments, Net (Note 3)	281,064	0	281,064	292,933	0	292,933
Governmental Assets:						
Travel Advances	3	0	3	2	0	2
Forfeited Property, Net (Note 4)	119,594	0	119,594	183,886	0	183,886
Total Entity Assets	**$481,346**	**$0**	**$481,346**	**$665,729**	**$0**	**$665,729**
Non-Entity Assets:						
Fund Balance with U.S. Treasury (Note 2)	$0	$56,778	$56,778	$0	$71,040	$71,040
Investments, Net (Note 3)	0	587,934	587,934	0	547,190	547,190
Total Non-Entity Assets	**$0**	**$644,712**	**$644,712**	**$0**	**$618,230**	**$618,230**
Total Assets	**$481,346**	**$644,712**	**$1,126,058**	**$665,729**	**$618,230**	**$1,283,959**
LIABILITIES						
Liabilities Covered by Budgetary Resources:						
Intragovernmental Liabilities:						
Accounts Payable (Note 6)	$5,751	$0	$5,751	$7,478	$0	$7,478
Governmental Liabilities:						
Accounts Payable (Note 6)	135,292	0	135,292	304,516	0	304,516
Accrued Payroll	0	0	0	569	0	569
Unexpended Prior Year Surplus	1,529	0	1,529	9,000	0	9,000
Deferred Revenue (Note 4)	119,594	0	119,594	183,886	0	183,886
Deposit Fund (Note 7)	0	644,712	644,712	0	618,230	618,230
Total Liabilities	**$262,166**	**$644,712**	**$906,878**	**$505,449**	**$618,230**	**$1,123,679**
NET POSITION (Note 8)						
Cumulative Results of Operations	$193,154	$0	$193,154	$95,746	$0	$95,746
Cumulative Results of Operations, Unallocated Prior Year Surplus	5,461	0	5,461	2,461	0	2,461
Cumulative Results of Operations, BCCI Income Subject to Court Order	20,565	0	20,565	62,073	0	62,073
Net Position	**$219,180**	**$0**	**$219,180**	**$160,280**	**$0**	**$160,280**
Total Liabilities & Net Position	**$481,346**	**$644,712**	**$1,126,058**	**$665,729**	**$618,230**	**$1,283,959**

The accompanying notes are an integral part of these financial statements.

Department of Justice
Asset Forfeiture Program
Notes to Principal Financial Statements

Note 1. Summary of Significant Accounting Policies

Basis of Presentation

These financial statements have been prepared to report the financial position and results of operations of the Asset Forfeiture Program, including the Assets Forfeiture Fund (AFF) and the Seized Asset Deposit Fund (SADF), as required by the Chief Financial Officers Act of 1990. The statements have been prepared from the books and records of the Asset Forfeiture Program in accordance with Office of Management and Budget (OMB) Bulletin 94-01, Form and Content of Agency Financial Statements, dated November 16, 1993, and the Asset Forfeiture Program accounting policies which are summarized in these notes. These statements are therefore different from the financial reports, also prepared by the Asset Forfeiture Program pursuant to Office of Management and Budget directives, used to monitor and control the program's use of budgetary resources.

Reporting Entity

The Asset Forfeiture Program is a nationwide law enforcement program administered by the Department of Justice. The Program is comprised of the following: the Drug Enforcement Administration, the Federal Bureau of Investigation, the Immigration and Naturalization Service, the U.S. Marshals Service, the U.S. Attorneys, and the Asset Forfeiture and Money Laundering Section, Criminal Division. The U.S. Postal Inspection Service, the Food and Drug Administration, and the U.S. Park Police are non-Department of Justice participants in the program.

The accompanying financial statements include the accounts of the AFF and the SADF. The AFF is a special fund and is listed in the U.S. Treasury Federal Account Symbols and Titles as 15X5042. The cash balance in the AFF is considered an entity asset. The SADF is a deposit fund and is listed in the U.S. Treasury Federal Account Symbols and Titles as 15X6874. Seized cash is deposited and accounted for in the SADF until a determination has been made as to its disposition. If title passes to the U.S. Government, the forfeited cash is then transferred from the SADF to the AFF. The cash balance in the SADF is not available to finance the Asset Forfeiture Program activities, and is considered a non-entity asset. Pursuant to 28 U.S.C. § 524 (C), idle SADF and AFF cash is invested in U.S. Treasury securities and the income derived is deposited in the AFF. The earnings on Bank of Credit and Commerce International (BCCI) funds held by the SADF and AFF are tracked separately due to special disposition requirements. Most noncash property is held by the U.S. Marshals Service from the point of seizure until disposition. In certain cases, the investigative agency will keep seized property in custody if the intention is to place the property into official use after forfeiture. If title passes to the U.S. Government, the proceeds from the sale of forfeited property are deposited in the AFF.

The accompanying financial statements of the Asset Forfeiture Program do not include the salaries and administrative expenses incurred by the Asset Forfeiture Program participants while conducting investigations leading to seizure and forfeiture. Salaries are paid out of the AFF for the Asset Forfeiture Management Staff (AFMS) and administrative costs are paid for the U.S. Marshals Service and the AFMS. There are no operating expenses charged to the SADF.

Budgets and Budgetary Accounting

All proceeds deposited to the AFF are available to the Attorney General without fiscal year limitation (permanent indefinite budget authority), except for the amounts specified in the Department of Justice annual appropriations act which are subject to fiscal year limitation (current definite budget authority). All cash for AFF budget authority is derived from proceeds of the Asset Forfeiture Program.

Basis of Accounting

Transactions are recorded on both a proprietary and budgetary basis. Expenses are recorded on an accrual basis of accounting whereby expenses are accrued when goods have been delivered or when services have been rendered. Under the accrual method, expenses are recognized when a liability is incurred, without regard to payment of cash. Budgetary accounting facilitates compliance with legal constraints and controls over the use of federal funds.

Accounting Principles and Standards

Until a sufficiently comprehensive set of accounting standards is agreed to and published by the Joint Financial Management Improvement Program (JFMIP) principals, which will constitute generally accepted accounting principles for the Federal Government, the following hierarchy shall constitute an other comprehensive basis of accounting used for preparing these financial statements:

1. Individual standards developed by the Federal Accounting Standards Advisory Board and agreed to and published by the JFMIP principals.

2. Form and content requirements included in OMB Bulletin 94-01.

3. Accounting standards contained in agency accounting policy, procedures manuals, and/or related guidance as of March 29, 1991.

4. Accounting principles published by authoritative standard setting bodies and other authoritative sources (1) in the absence of other guidance in the first three parts of this hierarchy, and (2) if the use of such accounting standards improve the meaningfulness of these financial statements.

Revenues and Other Financing Sources

Revenue is recognized when cash has been forfeited or proceeds have been deposited from the sale of forfeited property under: (a) any criminal proceeding; (b) any civil judicial forfeiture proceeding; or (c) any civil administrative forfeiture proceeding conducted by the Department of Justice. Revenue from the forfeited property is recognized when the property is: (a) placed into official use; (b) transferred to another federal government agency; (c) distributed to a state or local law enforcement agency; or (d) distributed to a foreign government. No revenue recognition is given to any cash deposited in the SADF which remains subject to forfeiture.

The funds in the AFF are primarily derived from forfeited cash, proceeds from the sale of forfeited property, interest earned on investments, payment of penalties in lieu of forfeiture, and recovery of asset management expenses. The funds in the SADF are seized cash held in trust until a determination has been made as to the disposition. This cash includes seized cash, proceeds from preforfeiture sales of seized property, and income from property under seizure.

Liabilities

Liabilities represent the amount of monies or other resources that are due to be paid by the Asset Forfeiture Program as the result of a transaction or event that has already occurred. Asset Forfeiture Program accounts payable are due principally to nonfederal government entities and are funded by the permanent indefinite portion of the AFF. These liabilities may be met without further appropriation action. All liabilities are therefore classified as Liabilities Covered by Budgetary Resources.

Interest Paid On Late Payments

The Prompt Payment Act, 31 U.S.C. § 3901-3907, requires Federal agencies to pay interest on payments for goods and services made to business concerns after the due date. Payments made pursuant to this law amounted to $37 thousand and $9 thousand in FYs 1996 and 1995.

Note 2. Fund Balance with U.S. Treasury

The amounts reported for FYs 1996 and 1995 represent the unexpended cash balance on the Department's books at September 30 of each FY presented. The variance from the U.S. Treasury balance for Account Symbol 15X5042 (AFF) at September 30, 1996, is $806 thousand, which represents Cash in Transit on the Department's books.

The following schedule reconciles the difference between the AFF and SADF balance per the Statement of Financial Position with the Treasury balance.

Dollars in Thousands	*1996*		*1995*	
	AFF	SADF	AFF	SADF
Obligated Balance	$(104,109)	$0	$28,921	$0
Unobligated Balance:				
Available	107,278	0	70,060	0
Restricted	76,710	56,778	89,943	71,042
Fund Balance with Treasury per Treasury	**$79,879**	**$56,778**	**$188,924**	**$71,042**
Cash In Transit	806	0	(16)	(2)
Fund Balance with Treasury per Asset Forfeiture Program	**$80,685**	**$56,778**	**$188,908**	**$71,040**

Asset Forfeiture Program funds held outside the U.S. Treasury as of September 30, 1996, and 1995, were $24.4 million and $15.9 million, respectively. These figures were reported by the investigative agencies maintaining custody of the assets. The funds held outside the U.S. Treasury represent cash held as evidence (or funds not yet forwarded to the USMS as of September 30, 1996), and are not presented elsewhere in these financial statements.

Note 3. Investments

All Investments are short term, nonmarketable, par value Federal debt securities issued by the Bureau of the Public Debt and purchased exclusively through Treasury's Financial Management Service. Investment are recorded at cost. Discounts are recorded for the full amount earned at maturity. No investments are made in nonfederal securities.

The following schedule shows the investment balance at September 30, 1996.

Dollars in Thousands	*Investments*	*(Discount)*	*Investments Net*
FY 1996			
Assets Forfeiture Fund	$282,130	($1,066)	$281,064
Seized Asset Deposit Fund	590,745	(2,811)	587,934
Total Investments	**$872,875**	**($3,877)**	**$868,998**

Note 4. Forfeited Property, Net

Forfeited property consists of monetary instruments, real property, and tangible personal property acquired through forfeiture proceedings. Forfeited property (net of cash) is held for disposition by the U.S. Marshals Service. This property is recorded at the estimated fair-market value at time of forfeiture, with an offsetting deferred revenue when a forfeiture judgment is obtained. The net value of this property has been reduced by estimated liens of record. However, the estimate does not reflect all possible liens and claims of innocent third parties. Such information becomes available as the individual cases proceed from seizure to forfeiture. The following tables represent the analysis of change and methods of disposition of forfeited property for FY 1996. With regard to the following tables, Forfeited Property represents assets for which the U.S. Government has title. The financial information supporting the figures presented in the following schedules was provided by the Seized Assets Management System (SAMS) and the Consolidated Asset Tracking System (CATS). SAMS provided data from 69 districts and CATS provided data from 25 districts. Both systems are separate and distinct from the general ledger.

Analysis of the Change in Forfeited Property - FY 1996

Dollars in Thousands

Property Category		*Beginning Balance*	*Forfeitures*	*Dispositions*	*Ending Balance*	*Liens/ Claims*
Aircrafts	#	18	13	21	10	0
	$ value	4,161	17,990	15,073	7,078	0
Animals	#	0	0	0	0	0
	$ value	0	0	0	0	0
Art & Antiques	#	9	19	15	13	0
	$ value	328	409	211	526	0
Businesses	#	20	10	17	13	0
	$ value	3,094	1,704	1,801	2,997	0
Electronic Equip.	#	16	455	231	240	0
	$ value	583	1,468	1,267	784	0
Financial Insts.	#	215	136	188	163	2
	$ value	30,884	8,870	23,552	16,202	38
Foodstuffs	#	3	16	18	1	0
	$ value	0	954	929	25	0
Jewelry	#	108	161	138	131	0
	$ value	6,051	1,694	5,474	2,271	0
Lab & Chemicals	#	23	83	33	73	0
	$ value	585	256	532	309	0
Real Properties	#	1,046	423	956	513	205
	$ value	162,940	65,078	142,522	85,496	11,803
Vehicles	#	2,999	18,314	18,146	3,167	21
	$ value	9,184	45,648	42,776	12,056	89
Vessels	#	62	114	134	42	1
	$ value	2,524	3,865	5,185	1,204	1
Weapons	#	120	210	138	192	0
	$ value	113	13	117	9	0
Other	#	158	152	178	132	0
	$ value	4,933	2,033	4,398	2,568	0
Total	#	**4,797**	**20,106**	**20,213**	**4,690**	**229**
	$ value	**225,380**	**149,982**	**243,837**	**131,525**	**11,931**

Method of Disposition - Forfeited Property - FY 1996
Page 1 of 2
Dollars in Thousands

Property Category		*Lost/Stolen Destroyed*	*Retained for official use*	*Returned Asset*	*Sold*	*Transferred to State or Local*	*Other*[1]	*Total*
Aircrafts	#	0	1	1	17	2	0	21
	$ value	0	785	100	14,158	30	0	15,073
Animals	#	0	0	0	0	0	0	0
	$ value	0	0	0	0	0	0	0
Art & Antiques	#	0	1	1	13	0	0	15
	$ value	0	17	58	136	0	0	211
Businesses	#	3	0	0	7	1	6	17
	$ value	330	0	0	1,284	45	142	1,801
Electronic Equip.	#	5	72	4	125	20	5	231
	$ value	145	858	73	148	17	26	1,267
Financial Insts.	#	0	0	11	48	0	129	188
	$ value	0	0	1,886	7,333	0	14,333	23,552
Foodstuffs	#	16	0	0	2	0	0	18
	$ value	928	0	0	1	0	0	929
Jewelry	#	1	9	11	115	0	2	138
	$ value	0	99	89	5,275	0	11	5,474
Lab & Chemicals	#	27	1	0	1	0	4	33
	$ value	527	5	0	0	0	0	532

1 "Other" represents methods of disposition that are unusual or infrequently used. Some examples of the use of the "other" category are: (a) liquidation of financial instruments; (b) aircraft transferred to the Department of the Interior (a non-participating federal agency); (c) real property used in the Weed & Seed Program; (d) real property in which USMS received "substitute res" (the monetary value of the property is substituted in place of the property) for the property; and (e) real property released to a claimant in lieu of cash settlement.

Method of Disposition - Forfeited Property
Page 2 of 2
Dollars in Thousands

Property Category		*Lost/Stolen Destroyed*	*Retained for official use*	*Returned Asset*	*Sold*	*Transferred to State or Local*	*Other*	*Total*
Real	#	1	6	68	739	0	142	956
Properties	$ value	27	217	10,164	115,244	0	16,870	142,522
Vehicles	#	42	342	2,903	14,522	273	64	18,146
	$ value	5	5,595	13,320	20,798	1,963	1,095	42,776
Vessels	#	3	10	1	110	6	4	134
	$ value	8	282	84	4,336	38	437	5,185
Weapons	#	126	2	7	0	1	2	138
	$ value	112	4	1	0	0	0	117
Other	#	28	11	3	99	8	29	178
	$ value	334	108	80	3,344	13	519	4,398
Total	#	**252**	**455**	**3,010**	**15,798**	**311**	**387**	**20,213**
	$ value	**2,416**	**7,970**	**25,855**	**172,057**	**2,106**	**33,433**	**243,837**

Note 5. Seized Property

A seizure is the act of taking possession of goods in consequence of a violation of public law. Seized property consists of monetary instruments, real property, and tangible personal property of others in the actual or constructive possession of the custodial agency. Seized property and equipment (net of cash) is held for disposition by the U.S. Marshals Service. This property is recorded at the estimated fair-market value at the time of seizure. The fair market value of this property has been reduced by estimated liens and claims of third parties. However, the estimate does not reflect all possible liens and claims of innocent third parties. Such information becomes available as the individual cases proceed from seizure to forfeiture. The following tables represent the analysis of change and methods of disposition of seized property for FY 1996. With regard to the following tables, Seized Property represents assets which have been seized and are awaiting disposition. The U.S. Government does not have title for these assets. The financial information supporting the figures presented in the following schedules was provided by the Seized Assets Management System (SAMS) and the Consolidated Asset Tracking System (CATS). SAMS provided data from 69 districts and CATS provided data from 25 districts. Both systems are separate and distinct from the general ledger.

Analysis of the Change in Seized Property - FY 1996

Dollars in Thousands

Property Category		*Beginning Balance*	*Seizures*	*Dispositions*	*Ending Balance*	*Liens/ Claims*
Aircrafts	#	40	12	17	35	3
	$ value	16,915	17,218	17,975	16,158	1,357
Animals	#	0	1	0	1	0
	$ value	0	120	0	120	0
Art & Antiques	#	50	33	22	61	0
	$ value	1,438	818	313	1,943	0
Businesses	#	16	23	11	28	3
	$ value	39,206	2,701	3,704	38,203	1,061
Electronic Equip.	#	356	204	219	341	3
	$ value	2,206	532	1,907	831	6
Financial Insts.	#	402	472	240	634	14
	$ value	99,619	15,353	62,219	52,753	1,593
Foodstuffs	#	23	17	24	16	0
	$ value	1,338	5,066	2,452	3,952	0
Jewelry	#	723	205	597	331	4
	$ value	41,455	3,551	7,830	37,176	473
Lab & Chemicals	#	29	184	69	144	0
	$ value	224	875	249	850	0
Real Properties	#	981	477	576	882	429
	$ value	249,298	68,525	141,686	176,137	57,115
Vehicles	#	7,600	22,154	21,372	8,382	1,658
	$ value	43,930	75,405	73,607	45,728	9,964
Vessels	#	147	241	197	191	8
	$ value	9,207	163,120	137,620	34,707	159
Weapons	#	310	213	238	285	0
	$ value	173	18	146	45	0
Other	#	405	175	193	387	4
	$ value	6,900	4,619	2,970	8,549	209
Total	#	**11,082**	**24,411**	**23,775**	**11,718**	**2,126**
	$ value	**511,909**	**357,921**	**452,678**	**417,152**	**71,937**

Method of Disposition - Seized Property - FY 1996
Page 1 of 2
Dollars in Thousands

Property Category	*Lost/Stolen Destroyed*		*Forfeited*	*Returned Asset*	*Sold*	*Returned to State Agency*	*Other* [2]	*Total*
Aircrafts	#	0	13	3	0	0	1	17
	$ value	0	17,864	97	0	0	14	17,975
Animals	#	0	0	0	0	0	0	0
	$ value	0	0	0	0	0	0	0
Art & Antiques	#	0	21	1	0	0	0	22
	$ value	0	310	3	0	0	0	313
Businesses	#	0	10	0	0	0	1	11
	$ value	0	1,704	0	0	0	2,000	3,704
Electronic Equip.	#	1	185	24	0	1	8	219
	$ value	0	1,702	178	0	1	26	1,907
Financial Insts.	#	0	133	45	0	0	62	240
	$ value	0	40,549	9,043	0	0	12,627	62,219
Foodstuffs	#	0	15	6	0	0	3	24
	$ value	0	939	13	0	0	1,500	2,452
Jewelry	#	0	418	164	0	0	15	597
	$ value	0	5,374	1,641	0	0	815	7,830
Lab & Chemicals	#	1	67	1	0	0	0	69
	$ value	1	248	0	0	0	0	249

2 "Other" represents methods of disposition that are unusual or infrequently used. Some examples of the use of the "other" category are: (a) liquidation of financial instruments; (b) aircraft transferred to the Department of the Interior (a non-participating federal agency); (c) real property used in the Weed & Seed Program; (d) real property in which USMS received "substitute res" (the monetary value of the property is substituted in place of the property) for the property; and (e) real property released to a claimant in lieu of cash settlement.

Method of Disposition - Seized Property
Page 2 of 2
Dollars in Thousands

Property Category		*Lost/Stolen Destroyed*	*Forfeited*	*Returned Asset*	*Sold*	*Returned to State Agency*	*Other*	*Total*
Real Properties	#	0	422	118	4	1	31	576
	$ value	0	93,520	42,103	854	328	4,881	141,686
Vehicles	#	3	18,491	2,828	10	15	25	21,372
	$ value	0	55,622	17,566	53	164	202	73,607
Vessels	#	0	112	66	3	2	14	197
	$ value	0	3,932	123,163	70	5	10,450	137,620
Weapons	#	53	170	6	0	0	9	238
	$ value	0	104	32	0	0	10	146
Other	#	1	141	40	0	0	11	193
	$ value	0	2,088	745	0	0	137	2,970
Total	**#**	**59**	**20,198**	**3,302**	**17**	**19**	**180**	**23,775**
	$ value	**1**	**223,956**	**194,584**	**977**	**498**	**32,662**	**452,678**

Note 6. Accounts Payable

This balance includes payments due to vendors contracted to perform services relative to maintaining seized and forfeited assets, and equitable sharing payments due to state and local law enforcement agencies. Some expenses are accrued based upon estimates of amounts due to contractors. For FYs 1996 and 1995, these estimates are provided to the Asset Forfeiture Management Staff by various organizations of the Department of Justice and other participating Government agencies pursuant to reimbursement agreements.

Note 7. Deposit Fund

The SADF is a holding account established for the temporary deposit and control of nonevidentiary cash subject to forfeiture and includes seized cash, proceeds from preforfeiture sales of seized property, and income from property under seizure. The funds are held in the form of U.S. currency with the U.S. Treasury or as investments in U.S. Treasury securities until the U.S. Marshals Service receives a declaration of forfeiture or other court order directing the U.S. Marshals Service as to the disposition. The Deposit Fund liability account offsets the value of seized cash included in the SADF balance with the U.S. Treasury and in investments in U.S. Treasury securities.

Note 8. Net Position

Net Position is the equity of the U.S. Government in the Asset Forfeiture Program. The AFF, which is a Special Fund, accounts for all amounts presented within Net Position. The BCCI Investment Income (see Note 9) is subject to court order and may be used to pay claims of victims of the BCCI fraud. The income is recorded as revenue and the contingent liability is shown separately, for presentation purposes, within Net Position on the Statement of Financial Position. Of the $219.1 million in Net Position, $28.6 million represents undelivered orders. To the extent that services and/or supplies classified as undelivered orders are delivered during FY 1997, obligations pursuant to those orders will be expensed during FY 1997.

Note 9. Investment Income

The FY 1996 Investment Income was derived from investment of the AFF and SADF in U.S. Treasury securities. The earnings on BCCI funds held by the SADF and AFF are tracked separately due to special disposition requirements (see Note 8). Of the total BCCI investment income for 1996 (see below $15.5 million), U.S. Fund interest earned for FY 1996 totals $10.7 million and BCCI interest earned totals $4.8 million. Of the total interest earned in FY 1995, $21,082,041 was refunded to the Worldwide Victims Fund.

The following schedule presents the composition of Investment Income for FYs 1996 and 1995.

Dollars in Thousands	*1996*	*1995*
Investment Income from AFF	$12,252	$16,378
Investment Income from SADF	14,965	12,892
Investment Income from BCCI	15,452	25,561
Total Investment Income	**$42,669**	**$54,831**

Note 10. Forfeited Cash

Forfeited Cash includes $173,539,291 in FY 1996 and $233,046,761 in FY 1995 from assets forfeited pursuant to the BCCI Plea Agreement. These amounts generally are not available because of special disposition requirements (i.e., court order).

Note 11. Forfeited Property Revenue

The Federal Accounting Standards Advisory Board's Statement of Federal Financial Accounting Standards Number 3, Accounting for Inventory and Related Property, requires that revenue associated with property not disposed of through sale be recognized upon approval of distribution. During FYs 1996 and 1995, the property was distributed pursuant to the Attorney General's authority to share forfeiture revenues with state and local law enforcement agencies that participated in the forfeiture that generated the property, and pursuant to the Department's authority to place forfeited property into official use by the Government. The amounts for the respective property distributions are as follows:

Dollars in Thousands	*1996*	*1995*
Property Transferred to the USMS	$314	$516
Property Transferred to State or Local Agencies	2,107	5,044
Property Transferred to Federal Agencies	7,656	7,077
Total Forfeited Property Revenue	**$10,077**	**$12,637**

Note 12. Return of Forfeiture Income

Included in the line item "Return of Forfeiture Income" on the Statement of Operations and Changes in Net Position are the following amounts:

	1996	*1995*
Payments to individuals or organizations for proceeds from assets forfeited and deposited into the AFF and subsequently returned to them through a settlement agreement or by court order	$5,481,900	$7,395,655
Return of forfeiture income to the Treasury Forfeiture Fund for its participation in seizure which led to forfeiture	7,333,967	13,160,232
Return of forfeiture income to the Resolution Trust Corporation, the Federal Deposit Insurance Corporation, or other Federal financial institutions or regulatory agencies for monies recovered under the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA)	663,323	468,214
Return of forfeiture income to the U.S. Postal Service for its participation in seizure which led to forfeiture	2,156,002	914,862
Return of forfeiture income to other Federal agencies for their participation in seizure which led to forfeiture	444,083	731,107
BCCI Distributions to the Asset Forfeiture Fund	6,671,404	0
BCCI Distributions to victims and other permanent court-ordered distributions	223,793,813	254,128,802
Return of forfeiture income to the Treasury Forfeiture Fund (TFF) from the sale of TFF assets in the custody of the USMS	(22,579)	61,621
Total Return of Forfeiture Income	**$246,521,913**	**$276,860,493**

Note 13. Operating Expenses/Distribution of Revenues

Expenses incurred as shown in the Statement of Operations and Changes in Net Position are classified by major type of program versus object classification. Operating expenses, including distributions of revenue, by object classification are shown in the following schedule:

Dollars in Thousands	*1996*	*1995*
Personnel Compensation and Benefits	$986	$1,202
Travel and Transportation of Persons and Things	2,250	4,760
Rent, Communications, and Utilities	9,483	13,014
Printing and Reproduction	2,070	410
Consulting and Other Services	270,374	422,012
Supplies and Materials	(501)	2,961
Equipment	(2,381)	2,044
Grants, Subsidies, and Contributions	29	3
Insurance Claims and Indemnities	14	107
Forfeited Property	10,077	12,637
Interest and Dividends	401	503
Total Expenses and Distribution of Revenues by Object Classification	**$292,802**	**$459,653**

Note 14. Allocation of Prior Year Surplus

28 U.S.C. § 524(c)(9)(E), provides authority for the Attorney General to use excess end-of-year monies, without fiscal year limitation, in the AFF for Federal law enforcement, prosecution, correctional activities, and related training requirements. The following schedule includes unexpended allocations of Super Surplus funding totaling $6,807,758 in the FY 1995 column.

Dollars in Thousands	*1996*	*1995*
Asset Forfeiture Management Staff	$0	$(43)
Asset Forfeiture and Money Laundering, Criminal Division	0	1,596
United States Attorneys	0	1,600
National Institute of Justice	0	125
Bureau of Prisons	0	3,607
Community Relations Service	0	0
Civil Rights Division	0	0
Federal Bureau of Investigation	0	(4,226)
Drug Enforcement Administration	0	(404)
Immigration and Naturalization Service	0	4,990
United States Marshals Service	0	5
United States Postal Service	0	0
United States Food and Drug Administration	0	0
Department of Health and Human Services, Inspector General	0	0
Internal Revenue Service	(3,000)	0
Total Allocations	**$(3,000)**	**$7,250**
1991 Capital Surplus	$0	$0
1992 Super Surplus	0	(166)
1993 Super Surplus	(3,000)	7,416
Total Allocations	**$(3,000)**	**$7,250**

Note 15. Transfers

Transfers differ from expenses in that transfers are cash flows out of the AFF to another appropriation account of the Treasury. Such transfers of cash require statutory authority. From there, expenses are recorded by the recipient organization against its own appropriation. Expenses are outflows of funds recorded as obligations directly against the AFF. The AFF receives its transfer authority from Public Law No. 100-690, as amended. The transfer from the AFF to the DOJ Working Capital Fund will be reversed in FY 1997. During FYs 1996 and 1995, funds were transferred from the AFF as follows:

Dollars in Thousands	*1996*	*1995*
Drug Enforcement Administration	$(15)	$0
U.S. Marshals Service	(1)	0
Immigration and Naturalization Service	(515)	0
Working Capital Fund	55	0
Bureau of Alcohol, Tobacco and Firearms	(15)	0
Total Transfers	**$(491)**	**$0**
Transfers from FY 1991 Surplus	$(546)	$0
Transfers from Working Capital Fund	55	0
Total Transfers	**$(491)**	**$0**

Note 16. Commitments and Contingencies

The AFF is committed under obligation for goods and/or services which have been ordered but not yet received (undelivered orders) at FY end. The total undelivered orders for all AFF activities amounted to $28.6 million and $9.3 million as of September 30, 1996 and 1995, respectively.