

# POLICY

01-05 as amended

**TO:** Members of the Selectboard

**CC:** Police Chief Brett Van Noordt and Town Treasurer John Cushing

**From:** Brian Palaia, Town Manager

**Re:** Disbursement of Seized Funds

**Date:** August 6, 2012

**EFFETIVE DATE- Immediately upon adoption**

**DEFINITION:** Forfeiture is the taking by the Government of property illegally used or acquired, without compensating the owner.

**PURPOSE:** To establish guidelines for the proper handling, tracking and expenditure of seized assets under the federal and state drug forfeiture laws.

A. Permissible uses for seized funds are as follows:

1. **Activities calculated to enhance future investigations.** The support of investigations and operations that may result in further seizures and forfeitures, e.g., payment of overtime for officers and investigators, payment of the first year's salaries for new law enforcement positions that supplement the workforce; payment for temporary or not-to-exceed-one-year appointments; payments to informants; "buy," "flash," or reward money; and the purchase of evidence.
2. **Law enforcement training.** The training of investigators, prosecutors, and law enforcement support personnel in any area that is necessary to perform official law enforcement duties.
3. **Law enforcement equipment and operations.** The purchase of body armor, firearms radios, cellular telephones, computer equipment, software to be used in support of law enforcement purposes, vehicles (e.g., patrol vehicles, surveillance vehicles), electronic surveillance equipment, uniforms, travel, transportation, supplies, leasing of office and other space for task force and undercover operations, and leasing of other equipment that support law enforcement activities.
4. **Detention facilities.** The costs associated with construction, expansion, improvement, or operation of detention facilities managed by the recipient agency.
5. **Law enforcement and equipment.** The costs associated with basic and necessary facilities, government furniture, safes, file cabinets, telecommunications equipment, etc., that are necessary to perform official law enforcement duties.
6. **Drug education and awareness programs.** The costs associated with conducting drug education and awareness programs by law enforcement agencies.
7. Pro rata funding of authorized law enforcement activities. The costs associated with supporting multi-agency items or facilities. Example: a town purchases a new computerized payroll system; the police

department payroll represents twenty percent of the total use of the payroll system. The police department may use shared money to fund its pro rata share (twenty percent) of the operating and maintenance expenses of the system. Property, facilities, equipment, and other items and services acquired with shared monies must be used only for law enforcement purposes unless written approval is obtained from the Executive Office for Asset Forfeiture. Such property must continue to be used predominantly for law enforcement purposes.

8. Asset accounting and tracking. The costs associated with the accounting, auditing and tracking of expenditures for shared cash, proceeds, and tangible property.
9. Impermissible uses for seized funds are as follows:
  - a. Payment of salaries for existing positions.
  - b. Uses of forfeited property by non-law enforcement personnel.
  - c. Payment of non-law enforcement expenses.
  - d. Uses not specified in the DAG-71 (Application for Transfer of Federally Forfeited Property).
  - e. Uses contrary to the laws of the state or local jurisdiction.
  - f. Non-Official government use of shares assets.
  - g. Extravagant expenditures.

**POLICY:**

- A. All money, property, assets, etc. seized under the Federal or State asset forfeiture laws and turned over to the Milton Police Department by the United State government or by the State of Vermont shall be placed in two separate PD Equitable Sharing accounts through the Town Treasurer. One account for Federal Asset forfeitures and one account for State of Vermont Asset Forfeitures.
- B. Adequate controls for the expenditures of seized funds are required for accountability purposes. Therefore, it is the policy of the Town and this agency to effectively manage the use of said funds so as to use these funds in a responsible and judicious manner.
- C. Seized funds shall be used in a manner as prescribed in the Guide to Equitable Share of Federal Forfeiture Property for State and Local Enforcement Agencies of March 1994.
- D. The Town Manager, Town Treasurer and Milton Police Chief will implement standard accounting procedures and internal controls (e.g., tracking share requests and receipts, depositing shares into a separate revenue account or accounting code, endorsing checks upon receipt, etc.) to track equitably shared monies and tangible property.

**PROCEDURE:**

- A. Checks received from the Federal Government may represent 80% of the total amount seized under the asset forfeiture laws.
- B. Upon receipt of the check, it shall be turned over to the Milton Town Treasurer who will deposit said check in the appropriate bank account entitled PD Equitable Sharing.
- C. General purchases will follow the Administrative Code-Purchasing Policy of the Town of Milton. The Police Chief will complete additional forms that are required per the Guide. The exception to this rule would be requests by the Police Chief to use funds in regards to a confidential purchase for an investigation of a crime. The following procedures will be used for this instance:

- a. The Police Chief will complete a Reimbursement Form in his name with the explanation marked confidential (pursuant to Title 1 section 317 (B) (5) of state statutes). The Police Chief will complete additional forms that are required per the Guide. The Police Chief will keep a detailed record of the confidential purchases that are made. The completed Reimbursement Form is then turned over to the Town Treasurer.
- b. The Town Treasurer or designee will withdraw the needed money from the PD Equitable Sharing bank account.

**ACTION:**

10. The Reimbursement Form will be placed on a separate Select Board Warrant at such time as the investigation is complete and no Police Officer or investigator would be jeopardized by the public disclosure of this information.
11. However, a check/transfer will not be issued since it has already been done in step 2.

The Milton Select Board, acting in regular session voted in favor of the amendment to the Disbursement of Seized Funds policy, as outlined in Policy 01-05 above, as amended. Further that this referenced Policy shall be part of the permanent record by attachment of the same to the Minutes of the aforementioned Meeting."

Dated: August 6, 2012

Milton Selectboard

*Rain A. Morsey*

*John E. Sifford*  
*John E. Sifford*  
*John E. Sifford*

Filed with the Town Clerk: 8.7.12

Signed: *Sherry P...*