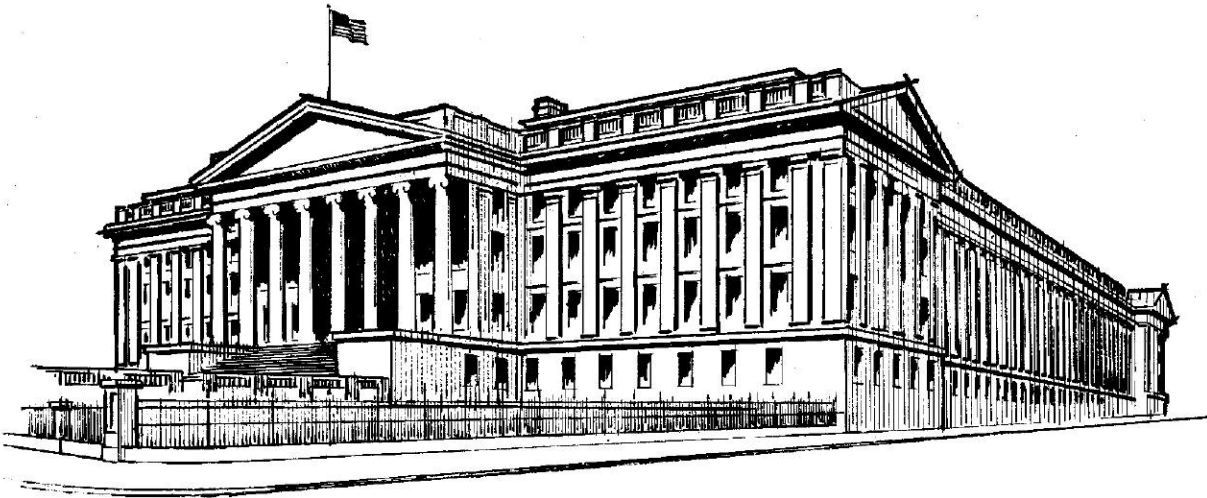


DEPARTMENT OF THE TREASURY
TREASURY FORFEITURE FUND
STRATEGIC PLAN
FY 2007-2012



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Message from the Director

I am pleased to present the 2007-2012 edition of the Strategic Plan for the Treasury Forfeiture Fund. Now in its 15th year as of 2007, the Fund is a successful high-impact multi-Departmental program with member law enforcement bureaus both here at the Department of the Treasury and at the Department of Homeland Security. Our member bureaus include Internal Revenue Service Criminal Investigation (IRS-CI) of the Department of the Treasury; and the U.S. Secret Service, Immigration and Customs Enforcement (ICE), and Customs and Border Protection (CBP) of the Department of Homeland Security. The U.S. Coast Guard continues its close working relationship with the legacy Customs bureaus, ICE and CBP.

*The **mission** of the Fund is to affirmatively influence the consistent and strategic use of high-impact asset forfeiture by our law enforcement bureaus to disrupt and dismantle criminal enterprise. Management's strategic **vision** of the Treasury Forfeiture Fund program is to focus the asset forfeiture program on strategic cases and investigations that result in high-impact forfeitures. We believe this approach to the use of asset forfeiture will incur the greatest damage to criminal organizations while accomplishing the ultimate objective – to disrupt and dismantle criminal enterprises. Our Strategic Plan is groomed by policy direction of the Under Secretary for Terrorism and Financial Intelligence and by close attention to the evolving federal law enforcement priorities and strategies of our member bureaus.*

The strategic outlook for the Treasury Forfeiture Fund is high-impact. As stated in the 2007 National Money Laundering Strategy, U.S. authorities are committed to identifying, disrupting, and dismantling money laundering and terrorist financing networks. An important tool in the U.S. fight against money laundering is asset forfeiture which strips away the profit from illegal activity. Forfeiture is expected to remain strong in other areas of law enforcement as well.

The continued high-impact performance of the Fund reflects the ongoing hard work of our law enforcement bureaus working in a cooperative manner with our international, state and local law enforcement partners all of whom represent vital links in our continuing program success. As Director of EOAF, I have observed that the most effective strategy to maximize program impact is uniting the efforts of all program participants into a partnership approach. Through the sharing of best practices and by fostering a collegial working relationship at all levels, the Treasury Forfeiture Fund law enforcement community continues to make the program impact greater than the sum of its individual efforts.

*Eric E. Hampl, Director
Executive Office for Asset Forfeiture
U.S. Department of the Treasury*

**TREASURY FORFEITURE FUND
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The Treasury Forfeiture Fund
Strategic Plan
FY 2007 – 2012

Introduction: The Treasury Forfeiture Fund (the Fund) is the receipt account for the deposit of non-tax forfeitures¹ pursuant to laws enforced or administered by law enforcement bureaus that participate in the Treasury Forfeiture Fund. The Fund was established in October of 1992 as the successor to the Forfeiture Fund of the U. S. Customs Service. A “special receipt account,” the Fund can provide money to other federal entities toward the accomplishment of a specific objective for which the recipient bureaus are authorized to spend money and toward other authorized expenses. The Fund’s enabling legislation was enacted by Public Law 102-393, dated October 6, 1992, 106 Stat. 1729, and is codified at 31 U.S.C. § 9703.

The use of Fund resources is governed by law, policy and precedent as interpreted and implemented by the U.S. Department of the Treasury’s Executive Office for Asset Forfeiture (EOAF) which manages the Fund. A key objective for management is the long-term viability of the Fund to ensure that there are ongoing resources to support member bureau seizure and forfeiture activities well into the future. The emphasis on Fund management is on high impact cases that can do the most damage to criminal infrastructure.

The Fund continues in its capacity as a multi-Departmental Fund, representing the interests of law enforcement components of the Departments of Treasury and Homeland Security. EOAF provides management oversight of the Fund and falls, organizationally, under the auspices of the Under Secretary for Terrorism and Financial Intelligence, U.S. Department of the Treasury. EOAF’s management structure includes the Fund Director, Legal Counsel, Assistant Director for Policy and Assistant Director for Operations. Functional responsibilities are delegated to various team leaders. EOAF is located in Washington, D.C., and currently has 20 full time equivalent positions.

From drug cartels to criminal syndicates, the only real damage that can be done to these insidious structures by law enforcement is the removal of enabling assets and profits that support and/or encourage their existence. Human resources have proven interchangeable to such criminal networks, but the loss of the criminal physical structures, the financial underpinnings and the associated profit-incentive serves to dismantle and deter their existence and/or proliferation. Reflecting this important impact on crime, asset forfeiture is identified as “an important tool in the U.S. fight against money laundering” in the 2007 National Money Laundering Strategy.

¹ *Asset Forfeiture:* Forfeiture is a legal mechanism by which property derived from or used in the furtherance of unlawful activity can be seized and forfeited to the government, with the owner losing all rights to the property without compensation.

Mission - The Major Functions and Operations of the Treasury Forfeiture Fund

Mission Statement: The mission of the Treasury Forfeiture Fund is to affirmatively influence the consistent and strategic use of asset forfeiture by member law enforcement bureaus to disrupt and dismantle criminal enterprises.

***Environment of the Treasury Forfeiture Fund – “Opportunities and Threats”
[See also “Key External Factors” below for more information about this area.]***

Environmental Scan: The Treasury Forfeiture Fund is now a multi-Departmental Fund facing challenges that result from Federal reorganization in the aftermath of terrorist attacks on the United States and the ensuing changing demands on member bureaus’ resources and enforcement priorities. The greatest opportunities for the Fund is the use of the asset forfeiture sanction to punish and deter broad and growing areas of criminal activity including cyber fraud, identity theft, money laundering, immigration violations and others. External factors in the environment that could adversely impact efforts to achieve a high-impact forfeiture program include limited or strained prosecutorial or law enforcement resources leaving inadequate time or attention to bring a forfeiture count, enforcement priorities that move away from traditional law enforcement actions that result in forfeiture, and excessive victim cases, including counterfeit and identity theft. All are important law enforcement priorities but unless consideration is given toward a vital forfeiture program, ebbs and flows in the application of asset forfeiture could affect the availability of forfeiture resources to support member bureau law enforcement programs.

***Goal - The General Long-term Aim or Purpose of the Treasury Forfeiture Fund
and How it will Carry Out its Mission***

Goal: The goal of the Treasury Forfeiture Fund is to support the asset forfeiture programs of our member law enforcement bureaus in a manner that results in federal law enforcement’s continued and effective use of asset forfeiture as a high-impact law enforcement sanction to punish and deter criminal activity. “High impact” is defined as a cash forfeiture equal to or greater than \$100,000 in value. For optimal program effectiveness, there are four key program principles that must continue to be embraced consistently by management and our law enforcement bureaus: 1) to affirmatively influence the use of high-impact asset forfeiture by federal law enforcement to punish and deter criminal activity; 2) to effectively and efficiently manage Fund revenues to cover the appropriate costs of seizure and forfeiture; 3) to affirmatively influence federal law enforcement to enforce the due process rights of affected persons; and 4) to urge and enhance cooperation among foreign, federal, state and local law enforcement agencies on issues pertaining to asset forfeiture.

***Objective - A More Specific Measure of the Strategic Outcome Envisioned
for the Treasury Forfeiture Fund***

Objective: The objective of the Treasury Forfeiture Fund is to support the Treasury asset forfeiture program in a manner that causes high-impact forfeiture to be used to efficiently and effectively against criminal behavior.

“Efficiency” in the Fund’s objective addresses management interests of the Fund; and “effectiveness” addresses law enforcement impact of the Fund.

***Means and Strategies - The Broad Courses of Action or Approach
that will be taken to Achieve the Goal***

Means: Broad courses of action or approach that will be taken to influence the strategic use of high-impact forfeiture by our member bureaus.

Strategies: Actions and/or approach may address both: 1) high-impact use of forfeiture by member law enforcement; and 2) management of Fund resources in support of the program so that high-impact forfeiture can be supported year after year. Both of these outcomes are important to the ongoing mission of the Fund.

Toward Enhanced Law Enforcement Use of Forfeiture:

- a) Meet with member bureau management to urge the use of asset forfeiture wherever feasible, especially the pursuit of high-impact forfeiture cases that can do more harm to criminal infrastructure as they remove ill-gotten gains, facilitating property and the profit incentive of criminal behavior.
- b) Train member law enforcement personnel regarding Fund authorities, high-impact strategy and policy, and share best practices of high-impact forfeiture through training initiatives with member bureaus.
- c) Through the funding of specific expenses by the Fund, including major case initiatives, equitable sharing and overtime for joint operations, encourage the continued cooperation from federal, state, local and foreign law enforcement in the identification of criminal organizations and the application of asset forfeiture to disrupt and dismantle such organizations.
- d) Work with member law enforcement bureaus to ensure that new or changing statutory authority provides for the use of asset forfeiture in the fight against criminal behavior.

Toward Enhanced Management of the Fund:

- e) Continue resource and contracting decisions with a view toward asset forfeiture program financial stability and vitality in order that the Fund remains available to support the asset forfeiture sanction by member bureaus year after year.
- f) Coordinate Fund policy proposals with member law enforcement bureaus and other stakeholders deemed appropriate to ensure effective and efficient implementation of the policies once approved.

- g) Work to resolve program risks identified by principal constituencies, including any identified by the Department, Office of Management and Budget, the Congress or the General Accounting Office.

Processes to Meet the Goal and Objective: Processes may also address law enforcement use of forfeiture and best practices for managing Fund resources.

Toward Enhanced Law Enforcement use of Forfeiture:

- a) Hold annual program reviews with senior bureau management to determine what policies and activities have been undertaken by bureaus to show commitment to the strategic use of high-impact asset forfeiture.
- b) Communicate Treasury's multi-Departmental asset forfeiture program strategy with the Department of Justice asset forfeiture program. Both the Criminal Division and the U.S. Attorneys are part of the Department of Justice. It is imperative that both of these important law enforcement bodies remain unbiased and fair in their decision-making among the various law enforcement bureaus engaged in asset forfeiture.

Toward Enhanced Management of the Fund:

- c) Work with the Department, OMB and the Congress regarding the use of special spending authorities of the Fund, including the Super Surplus and the Secretary's Enforcement Fund. It is important that the Fund's special authorities reward the hard work of member law enforcement bureaus that utilize forfeiture as this is crucial to maintaining a focus on high-impact forfeiture and the ongoing viability of the Fund. Asset forfeiture is labor intensive and without reward for use of the sanction, it could fall aside as a priority of member bureaus.
- d) Hold financial reviews with member law enforcement bureaus to determine appropriate funding levels for their respective forfeiture programs, and monitor execution of financial plans for conformance with plans.
- e) Maintain processes that support fair treatment of member bureaus who participate in a Justice or Postal Service forfeiture to ensure that sharing by the other forfeiture programs with member bureaus is fair and according to statute and policy. This includes stewardship of efforts by member bureaus in their own behalf whether through collegial outreach in the field or upwards through Headquarters offices if necessary to correct a deficiency.

Human Resources Needed to Meet the Goal and Objective

Human Resources: There are various gradients of human resources to be applied toward achievement of the Treasury Forfeiture Fund's mission, some under direct control of Fund management and some that can only be influenced toward forfeiture either through funding or

through outreach efforts, including training initiatives supported by the Fund, that promote the use of asset forfeiture as a tool in the fight against criminal behavior.

EOAF Stewardship: First, there is the approximately 20-member staff of the Executive Office for Asset Forfeiture (EOAF), working under the auspices of Terrorist Financing and Intelligence (TFI), which manages the Fund. EOAF will be primarily accountable for executing the strategies and processes identified above. Performance of these individuals is expected to directly support the Fund's strategic mission in an affirmative manner.

Member Bureau Management of the Forfeiture Process and Allocated Fund Resources: Second, the Fund reimburses its member law enforcement bureaus for some 200 to 250 on-board and contract personnel who work directly for their forfeiture programs. While EOAF does not have line authority over the performance of these individuals, the source of the reimbursable income for their positions rests upon the successful business results of program operations. Therefore, Fund management can be said to have influence over the application of these resources to the forfeiture program.

Member Bureau Use of Asset Forfeiture: Third, the agents, inspectors and other categories of law enforcement personnel of member law enforcement bureaus may come into contact with the Treasury forfeiture program daily through the exercise of their law enforcement jurisdiction. EOAF does not have line authority over the performance or direction of these personnel, but as discussed above, we intend to provide stewardship to persuade a consistent and effective high-impact approach to forfeiture in the course of the bureaus' law enforcement efforts. Therefore, Fund management will attempt to influence the application of these resources toward the forfeiture program.

Key External Factors that Could Affect Achievement of the Goal

Key external factors: Member bureau implementation of the Fund's strategic direction is essential to achievement of the Fund's mission and performance expectations. Fund management can work to influence or urge member bureau management to adopt a high-impact forfeiture approach to investigative strategy, however, but it does not have line authority over bureau performance in this area. On the other hand, Fund management can allocate resources in a manner that reflects member bureau efforts to support the Fund's strategic goal with the greatest impact.

Member bureaus' ability to implement the National Money Laundering Strategy and to undertake investigations having significant forfeiture potential could also affect achievement of the strategic goal. Member bureaus' law enforcement missions have grown increasingly complex with task emphasis on areas essential to the nation's security and financial integrity but not necessarily resulting in high-impact forfeiture, i.e., container security by legacy Customs bureaus and credit card fraud and identity theft investigations by the Secret Service where restitution is important to citizen confidence in financial institutions.

Appendix A

**Strategic Management Process for the Treasury Forfeiture Fund Strategic Plan
FY 2007-2012**

Background and development of the Treasury Forfeiture Fund's strategic approach: Treasury Forfeiture Fund management has a long history of strategic outreach with stakeholders and constituents including the better part of two decades of hand-in-glove partnering with our member bureaus to ensure that policy and financial planning of the Fund is consistent with their law enforcement needs. This was especially critical after September 11, 2001 with the extensive Federal Government reorganization that took most of our member bureaus to either a new Department and in one instance to a different forfeiture program at the Department of Justice. Some of the Fund's member bureaus were divided into two if not three new components.

Post-9/11 reorganization transition planning by Fund management was carefully orchestrated with our member bureaus with the goal of ensuring the smoothest transition of their forfeiture programs to their new Departmental homes. The effort was rewarded with a seamless impact on the Fund's ability to continue to provide critical forfeiture resources to bureaus that had ever-increasing responsibilities not only for their traditional law enforcement areas but for new national security concerns as well. Certainly, the effort was made more complex by a surprise proposal to merge the Treasury Forfeiture Fund into a "one fund" scenario with the Justice forfeiture fund. However, ultimately, the operations of the Treasury Forfeiture Fund and its member bureaus were shown to be significantly different from Justice forfeiture operations and the effort was formally quashed by the Office of Management and Budget.

Principals of our member law enforcement bureaus are available to actively engage in the resolution of mutual concerns, and generally work collegially with Fund management whenever a program issue is identified. This cooperative relationship extends, as well, to our relationship with the Justice forfeiture program with whom Fund management meets whenever necessary to discuss or resolve issues of mutual interest. We respect our mutual interests and understand our differences.

Implementation of the Fund's Strategic Plan: The Treasury Forfeiture Fund and Fund management were "already onboard" when the new Office of Terrorist Financing and Intelligence took shape in the Department. Since then, portions of our strategic language were adopted or otherwise embraced by the National Money Laundering Strategy and by other documents and statements. Given this reliance on our experience and our consistent outreach to our member bureaus, Fund management is confident that our strategic direction is consistent with principal law enforcement strategies of the Department and all member bureaus whether part of the Department of the Treasury or the Department of Homeland Security. Our Strategic Plan is the same as the 2000-2005 Strategic Plan, and, therefore, has been implemented and tested successfully for several years.

Appendix B

**Linkages between the U.S. Treasury-wide Strategic Plan
and the Treasury Forfeiture Fund Strategic Plan for FY 2007-2012**

Treasury-wide Strategic Goal	Treasury Forfeiture Fund Strategic Goal
Strengthened International Financial System Security and Enhanced U.S. National Security	The goal of the Treasury Forfeiture Fund is to support the asset forfeiture programs of our member law enforcement bureaus in a manner that results in federal law enforcement’s continued and effective use of asset forfeiture as a high-impact law enforcement sanction to punish and deter criminal activity.

Appendix C

**Linkage Between the Fund’s Strategic Goal
and the Fund’s Performance Goals**

Strategic Goal	Related Performance Goals
<p>The goal of the Treasury Forfeiture Fund is to support the asset forfeiture programs of our member law enforcement bureaus in a manner that results in federal law enforcement’s continued and effective use of asset forfeiture as a high-impact law enforcement sanction to punish and deter criminal activity.</p>	<p>Strategic use of asset forfeiture by our multi-Departmental member law enforcement bureaus in a manner that results in a high-impact forfeiture program.</p>

Discussion:

Fund management defines “high impact” forfeiture as “a cash forfeiture equal to or greater in value than \$100,000.” The Treasury Forfeiture Fund has set a target level of 75% for high-impact forfeitures, meaning that 75% of all forfeited cash should stem from high-impact forfeitures. This target level embraces the use of forfeiture to punish and deter criminal activity whenever it is found but urges the use of forfeiture especially in large case scenarios where the removal of facilitating assets or removal of the profit motive can do the most damage to the criminal enterprise. The Fund is able to monitor progress against this Performance Goal on a monthly basis and the performance data has been successfully audited since the measure was implemented in 2002.

The Department has assigned a “High Risk” status to the Fund’s Performance Plan. This means that if the Fund does not meet its performance plan target, this poses a “high risk” to the Department meeting its Goal, see Appendix C.

Appendix D**Coordination on Crosscutting Issues**

The Treasury Forfeiture Fund has a wide range of stakeholders interested in the strategic management and initiatives of the Treasury Forfeiture Fund and has worked with diligence since inception of the Fund to ensure that all crosscutting issues are identified quickly and resolved satisfactorily.

Member Bureaus: Crosscutting issues of member bureaus are resolved through longstanding administrative processes and other outreach traditions. For example, Fund management holds weekly Liaison Meetings where all member bureaus are invited to speak and to update management and the Fund's membership on issues, concerns, progress and needs. From there, management works with the bureaus to resolve any issues, concerns and to meet needs. Fund management also works to hard to recognize bureaus' hard work through the allocation of special funding authority when such resources are available with the objective to grow the program in this manner.

Between the two Federal Forfeiture Programs: Issues involving both national forfeiture programs are resolved through what is now nearly two decades of collegial communication and problem resolution. As a key tenet of policy decision-making, the two national forfeiture programs have worked hard work hard to ensure that "similarly situated citizens are treated similarly." Our respective strategies are highly consistent and compatible.

State and Local Law Enforcement: Given the enormous law enforcement presence afforded by state and local law enforcement, it is imperative that state and local law enforcement agencies and foreign law enforcement agencies have a sense of consistent policy within the Federal forfeiture programs. There is a long history of collegial coordination and working relationships between federal and state and local law enforcement. State and local law enforcement is a valued partner of all federal law enforcement.

Foreign Governments: There are currently over 50 multi-lateral treaty (MLATs) agreements signed by the United States and foreign governments which, among other issues of mutual interest, address forfeiture topics. MLATs have greatly facilitated the work between United States law enforcement and foreign law enforcement to investigate cases and to identify assets that may have been spirited out of the country to hidden bank accounts in other countries. As the result of these agreements, millions of dollars of assets representing the proceeds of crime have been returned to the United States and from there returned to victims of crime or forfeited to the Federal Government to be used to continue the fight against criminal enterprise.

It is Fund management's intention to promote program excellence and strengthen the overall quality of criminal investigations through these key stakeholder initiatives.

Appendix E**Program Evaluations**

A program evaluation is defined in strategic planning guidance as “an assessment, through objective measurement and systematic analysis of the manner and extent to which federal programs achieve intended objectives.” Guidance recommends a description of how the results of program evaluations were considered in the development of the plan, and will be used in the future to keep it current.

Treasury Forfeiture Fund Program Evaluation

Fund management has in place an annual system of financial reviews for which member bureaus must submit financial plan proposals to support the allocation of Fund resources to their forfeiture programs. The reviews involve an initial set of meetings and evaluations and then the progress of the bureaus in utilizing resources and meeting a high-impact forfeiture program target are monitored throughout the year. Adjustments to respective resource levels can be made during the year if necessary.

Departures from planned resource estimates or a departure from a high-impact program are reviewed by management with bureau representatives and these meetings can occur at any time during the year. The meeting process is a two-way street, with member bureaus aware that they can request a meeting with EOAF personnel, including the Director and his senior staff, if warranted, to discuss changing resource needs and/or issues related to the use of the forfeiture sanction. With the exception of Fiscal Year 2002, when our member bureaus were heavily distracted from routine law enforcement regimes toward terrorism issues, our member bureaus have maintained high-impact forfeiture programs. From this, it may be inferred that our program reviews and longstanding rapport with our member bureaus have paid off in high-impact dividends.

Appendix F

Data Capacity

The Treasury Forfeiture Fund's performance measure has been evaluated with regard to whether current systems can capture the data needed to support the measure. The Fund's systems can capture data necessary to populate the performance measure and the data has been successfully audited for several years.

Appendix G**Management Challenges***Accountability Report – FY 2006
Unqualified Opinion, One Reportable Condition*

The Fund's independent auditors gave the Treasury Forfeiture Fund's FY 2006 financial statements an Unqualified Opinion and determined that there were no material weaknesses associated with preparation of the statements. Only one Reportable Condition remains regarding the recording of indirect overhead expense of property to the line item level. This is a longstanding condition that Fund management has worked to resolve for the real property contract though the remedy had not been implemented by Customs and Border Protection (CBP), which provides accounting services for the Fund, as of the close of FY 2006. The new general property contract was awarded during FY 2007 and the new vendor is in the process of transitioning general property to its custody and recordkeeping. Fund management anticipates that the new general property vendor will correct this second tier condition during FY 2008.

Appendix H**Consultations and Stakeholders**

As commented on in Appendices A, D & E which describe the strategic management process and cross-cutting coordination, the type of consultation/ coordination anticipated by the Government Performance and Results Act in publishing strategic plans is embraced continuously by routine business methods of Fund management.

Our stakeholders are the member law enforcement bureaus of the Treasury Forfeiture Fund and they are located across two Departments of the Federal Government. Our constituents include: all other federal law enforcement bureaus, state and local law enforcement agencies, the Justice forfeiture program, the judiciary, the U.S. Attorneys, and foreign governments and law enforcement participating in multi-lateral treaties that address forfeiture with the U.S. Government.

We serve the Under Secretary for Terrorism and Financial Intelligence by being his policy arm in this law enforcement area.

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