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**Statement from Maureen Wylie, NOAA chief financial officer
on Asset Forfeiture Fund micropurchase review**

“Today, we are pleased to release an independent report from the accounting firm Clifton Gunderson, LLP, of NOAA’s Asset Forfeiture Fund (AFF), that found no abuse of the fund. The report primarily evaluated fund expenditures prior to NOAA’s implementation of actions taken to improve fund management beginning in February 2010.

“The auditors who examined transactions from 2005 to 2010 found no significant deficiencies as defined by accounting standards. They further recommended ways to improve oversight and controls to ensure more transparent and effective management of the fund, consistent with actions NOAA has already implemented in response to the recommendations contained in the July 2010 Inspector General report.

“In the review of AFF transactions, the auditors identified four travel, equipment and maintenance transactions totaling \$1,971 that while appropriate to NOAA’s law enforcement mission, were viewed by the auditors as not being in compliance with the NOAA AFF policy in place at the time of the transactions. The four transactions occurred prior to 2010 when NOAA began implementing significant reforms to the management and oversight of the AFF, including limiting its uses and improving internal controls and accountability.

“We have spent \$427,000 to conduct a comprehensive independent audit and micropurchase review to validate that the fund has a current balance of \$4.2 million available for new obligations as of August 25, 2011, and that our micropurchases were appropriate. We now intend to turn our attention and resources to implementing our new enforcement policies including improving outreach and compliance assistance.

“Over the last year, NOAA has implemented reforms that ensure a well managed fund and will take additional actions as warranted in response to today’s report. Ensuring proper use of the Asset Forfeiture Fund is essential to carrying out our duties as responsible financial managers and as stewards of coastal and marine resources.”

Background

The independent auditor’s report focuses on micro-purchases (under \$3,000 for purchase cards, cell phones, and other general expenditures and between \$150 and \$1,000 for travel expenses) because the Inspector General and others expressed concern that this was an area not fully studied in the previous IG financial review.

The auditors review of six years of financial transactions was undertaken at the direction of Jane Lubchenco, Ph.D., under secretary of commerce for oceans and atmosphere and NOAA administrator, as part of a comprehensive action plan to ensure that moneys collected from fisheries enforcement penalties in the Asset Forfeiture Fund are properly used and accounted for by NOAA. The retrospective review follows an earlier financial statement audit by Clifton Gunderson, LLP, for the year ending March 31, 2011, that gave the fund an unqualified (clean) opinion, the best type of audit opinion one can receive.

Today’s report is one of a series of the significant steps that NOAA has taken over the last two years to improve transparency, accountability and the effectiveness of its enforcement program.

A full timeline of NOAA Enforcement program improvements since March 2009 is at <http://www.noaa.gov/lawenforcementupdates/timeline.html>. To read the Clifton Gunderson report, go to http://www.noaanews.noaa.gov/stories2011/pdfs/Clifton_Gunderson_LL_P_8Aug11.pdf.

NOAA's mission is to understand and predict changes in the Earth's environment, from the depths of the ocean to the surface of the sun, and to conserve and manage our coastal and marine resources. Join us on [Facebook](#), [Twitter](#) and our other [social media channels](#).