



**NEW JERSEY LEGISLATURE**  
OFFICE OF LEGISLATIVE SERVICES  
OFFICE OF THE STATE AUDITOR

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**EXECUTIVE SUMMARY**

**DEPARTMENT OF LAW AND PUBLIC SAFETY  
ATTORNEY GENERAL'S LAW ENFORCEMENT FORFEITURE ACCOUNT  
July 1, 2021 to June 30, 2025**

We found that the financial transactions included in our testing were related to the program; however, they were not always reasonable or properly recorded in the accounting systems. In making these determinations, we noted certain issues meriting management's attention regarding financial reporting of Cash Management Fund Accounts (CMAs) and weaknesses in the forfeiture noncash asset tracking system. We also found that the department has not resolved the significant issues noted in our prior report regarding untimely forfeiture revenue recognition, closure of CMAs, escheatment of unclaimed funds to the Unclaimed Property Administration, and unresolved balances in clearing accounts. We also made observations related to withholding of accrued interest from refunded seizures and the use of AGLEFA funds.

**AUDIT HIGHLIGHTS**

- Revenue from forfeitures is not recognized in a timely manner in the state's accounting system. Revenues were underreported in fiscal years 2022 to 2024 by \$6,482,889 and overreported in fiscal year 2025 by \$2,439,929.
- As of December 2024, there were 287 CMAs holding seized funds totaling \$25,739,505. The liability for seized funds pending final disposition is not accounted for in the state's accounting system; they are reported in the state's Annual Comprehensive Financial Report (ACFR) as part of the Investment Trust Fund, thereby providing limited financial transparency.
- Our review of CMAs that had remained opened for more than 10 years found that 12 of the 28 accounts, totaling \$302,816, lacked a documented or valid reason to remain open at the time of our testing.
- Approximately \$350,000 in unclaimed funds from closed cases were not escheated in a timely manner.
- Clearing accounts maintained long-standing balances contrary to their intended purpose as temporary holding accounts.
- Processes for tracing and tracking forfeited noncash assets are insufficient.
- The department keeps interest earned from seized cash subsequently returned to its owners.
- Our review of AGLEFA expenditures found that \$854,145 (23 percent of fiscal year 2024 expenditures) and \$2,141,621 (47 percent of fiscal year 2025 expenditures) were allocated to office renovations for leased properties not owned by the state to relocate two departmental units. While these expenditures received the necessary approvals, this use of funds stands in contrast to other authorized expenditures clearly outlined in the statute, such as training, community outreach, or public education.

**AUDITEE RESPONSE**

The department generally concurs with our findings and recommendations.

For the complete audit report click [here](#).