

**DEPARTMENT OF THE TREASURY
EXECUTIVE OFFICE FOR ASSET FORFEITURE**

DIRECTIVE NO. 1

DATE: November 28, 2014

SUBJECT: Restrictions on Purchase of Forfeited Property

1. **PURPOSE.** This Department of the Treasury Executive Office for Asset Forfeiture (TEOAF) Directive No. 1 provides guidance concerning the purchase of forfeited property.
2. **SCOPE.** This Directive applies to employees of the Department of the Treasury (Treasury), and similar policies have been interpreted to apply to employees of the Department of Homeland Security (DHS) agencies participating in the Treasury Forfeiture Fund (TFF).
3. **POLICY.** Treasury employees are prohibited from purchasing property, directly or indirectly, that is owned by the Government and under control of the employee's bureau or sold under the direction or incident to the functions of the employee's bureau. Purchase of property forfeited by another federal agency or bureau is discouraged.
4. **GUIDANCE.**
 - A. The objective of this policy is to protect the integrity of the asset forfeiture program, and to ensure that there is no actual or apparent use of inside information by employees wishing to purchase such property. This policy is consistent with Treasury regulations, specifically, 5 C.F.R. § 3101.103.
 - B. DHS and its components have similar restrictions on the purchase of forfeited property. DHS employees should contact the Designated Agency Ethics Official, or the appropriate Office of Chief or Legal Counsel to discuss the applicable ethics rules, policies and regulations.¹
 - C. Waiver. An employee may make a purchase that is otherwise prohibited when a written waiver of the prohibition has been given to the employee by an agency designee with the advice and legal clearance of the Designated Agency Ethics Official, or the appropriate Office of Chief or Legal Counsel. Such waivers may be granted only upon a determination that the waiver is not otherwise prohibited by law and that, in the mind of a reasonable person with knowledge of the particular circumstances, the purchase of the asset will not raise a question as to whether the employee used his or her official position or inside information to obtain an advantageous purchase or create an appearance of loss of impartiality in the performance of the employee's duties. Please consult with the Designated Agency Ethics Official, or the appropriate Office of Chief or Legal Counsel for more information.
5. **AUTHORITY.** 31 U.S.C. § 9703; 5 C.F.R. § 3101.103; Treasury Directive 27-03, "Organizations and Function of the Office of the Assistant Secretary (Enforcement)"; Delegation Memorandum dated May 19,

¹ The DHS agencies that participate in the TFF are deemed to be Treasury law enforcement organizations for purposes of the Treasury forfeiture program. See 31 U.S.C. § 9703(o). Accordingly, in past circumstances, DHS bureau counsel in consultation with other relevant regulations and with TEOAF counsel, have determined that the prohibition applies to employees of DHS agencies participating in the TFF.

1995, "Technical Correction to EOAF Delegation of Authority"; and Treasury Order 102-1 4, March 24, 2007, "Delegation of Authority with Respect to the Department of the Treasury Forfeiture Fund."

6. **INFORMATION CONTACT.** All inquiries pertaining to this Directive should be directed to the Designated Agency Ethics Official, or the appropriate Office of Chief or Legal Counsel, or to TEOAF's Legal Counsel at (202) 622-9600.

7. **CANCELLATION.** TEOAF Directive No. 1, "Purchase or Personal Use of Forfeited Property by Treasury Employees," October 1, 1993, is hereby superseded.

8. **EFFECTIVE DATE.** November 28, 2014.

/S/

John M. Farley
Acting Director
TEOAF