



Auditor of Public Accounts  
Mike Harmon

**FOR IMMEDIATE RELEASE**

**Contact: Michael Goins**  
[Michael.Goins@ky.gov](mailto:Michael.Goins@ky.gov)  
**502.564.5841**  
**502.209.2867**

**Harmon Releases Audit of Edmonson County Sheriff's Fee Account**

**FRANKFORT, Ky.** – State Auditor Mike Harmon today released the audit of the 2018 financial statement of Edmonson County Sheriff Shane Doyle. State law requires the auditor to annually audit the accounts of each county sheriff. In compliance with this law, the auditor issues two sheriff's reports each year: one reporting on the audit of the sheriff's tax account, and the other reporting on the audit of the fee account used to operate the office.

Auditing standards require the auditor's letter to communicate whether the financial statement presents fairly the receipts, disbursements and excess fees of the Edmonson County Sheriff in accordance with accounting principles generally accepted in the United States of America. The sheriff's financial statement did not follow this format. However, the sheriff's financial statement is fairly presented in conformity with the regulatory basis of accounting, which is an acceptable reporting methodology. This reporting methodology is followed for all 120 sheriff audits in Kentucky.

As part of the audit process, the auditor must comment on noncompliance with laws, regulations, contracts, and grants. The auditor must also comment on material weaknesses involving the internal control over financial operations and reporting.

The audit contains the following comment:

**The Edmonson County Sheriff failed to implement sufficient internal controls over the collection and remittance of drug seizure funds:** The Edmonson County Sheriff does not have strong internal controls over drug seizure account transactions. We noted the following deficiencies:

- An official police report states that the sheriff and a deputy “went to The Bank of Edmonson County to use one of their bill counters to assist in counting the money. The final count came

to \$26,222 dollars, with \$1,422 dollars of it being in one dollar bills.” The only documentation related to the forfeiture in this case is the Formal Sentencing Orders and the Commonwealth’s offers on plea of guilty signed by the commonwealth’s attorney, the defense attorney, and the defendants. The Formal Sentencing Order states, “IT IS FURTHER ORDERED AND ADJUDGED that the Defendant shall forfeit the amount of Twenty-Two Thousand Dollars (\$22,000.00) seized, and all other property shall be released to the Defendant.” On May 2, 2018, the sheriff’s office released \$4,231 to the defense attorney. On May 22, 2018, the sheriff deposited \$21,000 into the drug seizure account. Not only is the \$21,000 deposited by the sheriff \$1,000 less than the sentencing order, but there is \$991 of the amount reported seized in the police report that was neither deposited nor remitted to the defendants or their attorney. These funds could not be located, and there was no payment to the commonwealth attorney for this portion of the seizure.

- On October 17, 2018, the Edmonson County Circuit Court issued a forfeiture order for \$76 cash seized. The order called for the funds to be distributed as follows: 85% to the sheriff’s office and 15% to the Commonwealth Attorney’s office. There was no documentation of this money being deposited nor was there documentation of 15% being paid to the commonwealth attorney’s office.

The sheriff did not have adequate internal controls over drug seizure account funds. The sheriff stated he was told by the commonwealth attorney what money had been forfeited and what to return to the defendants’ attorney. He did not realize he had to have a forfeiture order before depositing the money to his drug account. Without proper documentation supporting the amounts deposited, there is no support to show that the appropriate amount has been deposited and wrong amounts can be deposited.

KRS 218A.460(2) states, “[t]he final order of forfeiture by the court shall perfect in the Commonwealth or appropriate law enforcement agency, as provided in KRS 218A.420, right, title, and interest in and to the property.” Additionally, KRS 218A.420(4) states, “[c]oin, currency, or the proceeds from the sale of property forfeited shall be distributed as follows:

- (a) Eighty-five percent (85%) shall be paid to the law enforcement agency or agencies which seized the property, to be used for direct law enforcement purposes; and
- (b) Fifteen percent (15%) shall be paid to the Office of the Attorney General or, in the alternative, the fifteen percent (15%) shall be paid to the Prosecutors Advisory Council for deposit on behalf of the Commonwealth's attorney or county attorney who has participated in the forfeiture proceeding, as determined by the court pursuant to subsection (9) of this section. Notwithstanding KRS Chapter 48, these funds shall be exempt from any state budget reduction acts.”

Good internal controls dictate that the sheriff has procedures in place to ensure seized property is accurately accounted for, safeguarded, and distributed in accordance with the forfeiture order. Forfeited cash should be deposited daily into a financial institution to prevent misappropriations due to theft or loss.

We recommend the sheriff implement procedures to ensure seized funds are properly accounted for and safeguarded. Furthermore, we recommend the sheriff’s office adhere to the forfeiture

orders from the court prior to distributing seized funds to his drug forfeiture account, other agencies, or defendants.

*Sheriff's Response: I acknowledge that I failed to properly and adequately ensure that all court orders were in hand and accurate before depositing seized drug monies into our drug forfeiture account. Although I hold that no seized money was unlawfully utilized, and that all money deposited was allowed by the courts, I agree that the documentation of it was inadequate.*

The sheriff's responsibilities include collecting property taxes, providing law enforcement and performing services for the county fiscal court and courts of justice. The sheriff's office is funded through statutory commissions and fees collected in conjunction with these duties.

The audit report can be found on the [auditor's website](#).

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