



Auditor of Public Accounts
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Edelen Releases Audit of Former Garrard County Sheriff's Office

FRANKFORT, Ky. – State Auditor Adam Edelen today released the audit of the 2014 financial statement of former Garrard County Sheriff Ronald Wardrip. 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.

Recent changes in auditing standards require the auditor's letter to communicate whether the financial statement presents fairly the revenues, expenditures and excess fees of the former Garrard County Sheriff in accordance with generally accepted accounting principles in the United States. The report found that the financial statement of the Sheriff 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 non-compliance 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:

Federal forfeiture funds should not be transferred to the fee account. Per our review of bank statements, \$7,300 of federal forfeiture funds was deposited into the fee account during October 2014. These funds were then transferred back in February 2015. Per KRS 218A.420(4)(a) forfeited funds must be used by the sheriff's office for direct law enforcement purposes. The phrase "direct law enforcement purpose" is defined, at 500 KAR 9:010(6), to mean "any activity of a [county sheriff] . . . which *materially facilitates enforcement of the laws of the Commonwealth of Kentucky.*" Once these funds are transferred to the fee account, they lose their identity; therefore, it is not possible to determine if they were spent for the intended purposes. Since funds were transferred to the fee account and expended from the fee account,

they should not have been reimbursed. Forfeiture funds are one time monies and once spent should not be reimbursed. We recommend that forfeiture funds not be transferred to the fee account, disbursements from the forfeiture account be spent directly from the forfeiture account, and once spent not reimbursed.

Former Sheriff's response: Was transferred for payroll purposes and back.

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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