



Auditor of Public Accounts
Mike Harmon

FOR IMMEDIATE RELEASE

Contact: **Michael Goins**
Michael.Goins@ky.gov
502.564.5841
502.209.2867

Harmon Releases Audit of Former Lyon County Sheriff's Fee Account

FRANKFORT, Ky. – State Auditor Mike Harmon today released the audit of the 2018 financial statement of former Lyon County Sheriff Kent Murphy. 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 former Lyon County Sheriff in accordance with accounting principles generally accepted in the United States of America. The former sheriff's financial statement did not follow this format. However, the former 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 former sheriff failed to reimburse prior years' disallowed expenditures to the drug fund: This is a repeat finding and was included in the prior year audit report as Finding 2017-001. During calendar year 2018, the former Lyon County Sheriff failed to reimburse the drug fund disallowed expenditures of \$787 from the former sheriff's 2013 fee audit and disallowed expenditures of \$428 from the former sheriff's 2014 fee audit. The former sheriff had purchased items that were primarily advertising or promotional in nature from the drug fund. The items purchased were not for law enforcement purposes.

These actions resulted in the drug fund account being denied funds that should have been used for law enforcement purposes. According to KRS 218A.420(4), the proceeds from the sale of forfeited property are to be used for direct law enforcement purposes. This error was due to the former sheriff not being in agreement as to the nature of the items.

We recommend the former sheriff reimburse the drug fund account in the amount of \$1,215 from his personal funds in order to comply with KRS 218A.420(4). This matter will be referred to the Lyon County Attorney.

Former Sheriff's Response: The official did not provide a response.

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](#).

###

The Auditor of Public Accounts ensures that public resources are protected, accurately valued, properly accounted for, and effectively employed to raise the quality of life of Kentuckians.

Call 1-800-KY-ALERT or visit our website to report suspected waste and abuse.

