



# Alabama Department of Examiners of Public Accounts

## *Report on the* **Office of Sheriff Hale County, Alabama**

July 1, 2018 through September 30, 2023

Filed: November 1, 2024

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ALABAMA STATE HOUSE

*Rachel Laurie Riddle, Chief Examiner*



Rachel Laurie Riddle  
*Chief Examiner*

**State of Alabama**  
Department of  
**Examiners of Public Accounts**

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Honorable Rachel Laurie Riddle  
Chief Examiner of Public Accounts  
Montgomery, Alabama 36130

Dear Madam:

An examination was conducted on the Office of Sheriff, Hale County, Alabama, for the period July 1, 2018 through September 30, 2023, by Examiners Tranquil Shepherd, Kerri Moss and Kala Williams. I, Kerri Moss, served as Examiner-in-Charge on the engagement, and under the authority of the *Code of Alabama 1975*, Section 41-5A-19, I hereby swear to and submit this report to you on the results of the examination.

Respectfully submitted,

Kerri G. Moss  
Examiner of Public Accounts

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Department of  
**Examiners of Public Accounts**

**EXAMINER'S SUMMARY**

**Office of Sheriff  
Hale County, Alabama  
July 1, 2018 through September 30, 2023**

**PURPOSE AND SCOPE OF THE EXAMINATION**

This report presents the results of an examination of the Office of Sheriff, Hale County, Alabama, (hereinafter referred to as the "Sheriff") and a review of the Sheriff's compliance with applicable laws and regulations of the State of Alabama in accordance with the requirements of the Department of Examiners of Public Accounts under the authority of the *Code of Alabama 1975*, Section 41-5A-12.

The Agency Overview contained in this report provides information on the Sheriff's operating authority. The Sheriff's financial information for the examination period is contained in Exhibit 1. Honorable Kenneth W. Ellis served as Sheriff from the beginning of the examination period through January 15, 2023. Honorable Michael O. Hamilton served as Sheriff from January 16, 2023 through the remainder of the examination period.

**RESULTS OF THE EXAMINATION**

Instances of noncompliance with state and local laws and regulations and other matters were found during the examination as shown on the Schedule of State and Local Compliance and Other Findings and they are summarized below.

**FINDINGS**

- ◆ 2023-001: The Sheriff failed to prepare accurate bank reconciliations. This finding was previously reported as Finding 2014-002.
- ◆ 2023-002: The Sheriff failed to prepare accurate cashbooks.
- ◆ 2023-003: The Sheriff failed to make timely deposits. This finding was previously reported as Finding 2014-004.

### **EXIT CONFERENCE**

The Officials were invited to an exit conference to discuss the results of the examination. Sheriff Michael O. Hamilton was in attendance. The Department of Examiners of Public Accounts was represented by Shelley Patrenos, Audit Manager. The results of the examination were discussed by teleconference with former Sheriff, Kenneth W. Ellis.



## Department of **Examiners of Public Accounts**

### **AGENCY OVERVIEW**

#### **Office of Sheriff Hale County, Alabama July 1, 2018 through September 30, 2023**

The Office of Sheriff, Hale County, Alabama, (hereinafter referred to as the “Sheriff”) is responsible for law enforcement activities in the county. This includes the operation and administration of the county jail and the custody and feeding of county prisoners in accordance with the *Code of Alabama 1975*, Section 14-6-1. In addition, the Sheriff is responsible for a food and service allowance from the State of Alabama, which is remitted to the County Commission, for the feeding of State and County prisoners housed in the county jail. The Sheriff is also responsible for collecting Pistol Permit Fees, as authorized by the *Code of Alabama 1975*, Section 45-33-232. The Sheriff operates a jail store under the authority of the *Code of Alabama 1975*, Section 45-33-231. The *Code of Alabama 1975*, Section 45-33-233 authorizes the Sheriff to collect a fee of \$10 for the service of processing documents and Section 45-33-234, authorizes the Sheriff to collect a fee of \$10 for each background check for residents in the county.

The following is a brief summary and description of the different funds that were utilized by the Office of Sheriff, Hale County, Alabama, for the period July 1, 2018 through September 30, 2023.

◆ **General Office Account** – accounts for the following:

**Pistol Permit Fees** – accounts for the receipt and disbursement of pistol permit fees collected pursuant to the *Code of Alabama 1975*, Section 45-33-232.

**Sex Offender Fees** – accounts for the receipt and disbursement of sex offender fees collected pursuant to the *Code of Alabama 1975*, Section 15-20A-22. Expenditures are to be used to defray the costs of sex offender registration, verification and notification.

◆ **Sheriff’s Law Enforcement Fund** – accounts for the receipt and disbursement of the bail bond fees collected and used pursuant to the *Code of Alabama 1975*, Section 12-19-311 and 12-19-312. This fund is held by the Hale County Commission and shall be expended at the direction of the Sheriff for the operation of the jail.

- ◆ **Jail Fund** – accounts for commissions from the sale of essential items that the inmates purchase for personal use and telephone commissions as authorized by the ***Code of Alabama 1975***, Section 45-33-231, with the proceeds to be expended for law enforcement purposes. Vending machine profits and incentive payments received from the Social Security Administration are also accounted for in this fund.
- ◆ **Jail Commissary Fund** – accounts for money received from inmates at the time of arrest and money received on behalf of the inmate while incarcerated. The inmates' money is held on their behalf for purchases made from the Jail Store. Unused funds are returned to inmates upon their release.
- ◆ **Confiscated Property Fund** – accounts for confiscated property held until disbursement orders are obtained from the court.
- ◆ **Drug Fund** – accounts for the receipt and disbursement of proceeds from the sale of confiscated property related to drug investigations.
- ◆ **Service of Processing Fund** – accounts for proceeds from fees collected for background checks performed and service of processing civil or criminal documents.

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*Schedule of State and Local  
Compliance and Other Findings*



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## *Schedule of State and Local Compliance and Other Findings*

### *For the Period July 1, 2018 through September 30, 2023*

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Ref. No.	Finding/Noncompliance
2023-001	<p><b><u>Finding:</u></b> The <i>Minimum Accounting Requirements for the Office of Sheriff</i>, prescribed by the Chief Examiner of Public Accounts, require all bank accounts to be reconciled monthly. This reconciliation should include procedures to reconcile the bank account balances to the cashbook balances and include an analysis of the balances on hand. The bank account for the Jail Commissary Fund was not reconciled during the examination period and an analysis of balances on hand was not available. The Sheriff did not have procedures in place to ensure the bank account was properly reconciled. As a result, an unidentified difference exists between the reconciled bank balance and the amounts due to be on hand. This finding was previously reported as Finding 2014-002.</p> <p><b><u>Recommendation:</u></b> The Sheriff should ensure all bank accounts are properly reconciled.</p>
2023-002	<p><b><u>Finding:</u></b> The <i>Minimum Accounting Requirements for the Office of Sheriff</i>, prescribed by the Chief Examiner of Public Accounts, require the Sheriff to maintain a record of the receipts, disbursements and balances (cashbook) of all funds maintained by the Sheriff. These records shall reflect the source of all money received by the Office of Sheriff for each fund and shall also reflect the disbursements that are paid. The Sheriff did not maintain a complete and accurate cashbook for the Jail Fund or the Jail Commissary Fund. The Sheriff did not have procedures in place to ensure a cashbook was maintained for these funds. As a result, the Office of Sheriff failed to accurately record in the cashbook the receipt and disbursement of all money collected.</p> <p><b><u>Recommendation:</u></b> The Sheriff should ensure a complete and accurate cashbook is maintained for all funds.</p>
2023-003	<p><b><u>Finding:</u></b> The <i>Minimum Accounting Requirements for the Office of Sheriff</i>, as prescribed by the Chief Examiner of Public Accounts, require the Sheriff to establish policies and procedures to ensure deposits are made daily and intact. Deposits for the Sex Offender Fee Fund were not made on a daily basis. The Sheriff did not have procedures in place to ensure deposits were made timely. As a result, money which was collected but not deposited into a bank account was exposed to loss or theft. This finding was previously reported as Finding 2014-004.</p> <p><b><u>Recommendation:</u></b> The Sheriff should ensure all money received is deposited daily into an official bank account.</p>

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# *Financial Information*

***Schedule of Cash Receipts, Disbursements and Balances***  
***July 1, 2018 through September 30, 2023***

	General Office Account	Sheriff's Law Enforcement Fund	Jail Fund	Jail Commissary Fund	Confiscated Property Fund	Drug Fund	Service of Processing Fund	Totals
<b>Receipts</b>								
Pistol Permit Fees	\$ 249,170.00	\$	\$	\$	\$	\$	\$	\$ 249,170.00
Bail Bond Fees		10,351.81						10,351.81
Jail Telephone Commissions			124,400.52					124,400.52
Social Security Incentive Payments			2,600.00					2,600.00
Funds Received from Inmates				413,713.86				413,713.86
Proceeds from Confiscated Property Condemnations						716.79		716.79
Service Processing Fees							15,180.00	15,180.00
Background Check Fees							889.00	889.00
Sex Offender Registration Fees	8,930.00							8,930.00
Forfeitures/Awards/Confiscations					19,403.65			19,403.65
Commissary Profit			43,068.13					43,068.13
Interest Earned on Deposits		18.10						18.10
Donations and Miscellaneous	57,232.11		12,668.42	2,582.54		15,793.68		88,276.75
Total Receipts	315,332.11	10,369.91	182,737.07	416,296.40	19,403.65	16,510.47	16,069.00	976,718.61
<b>Disbursements</b>								
Hale County Commission	53,897.00							53,897.00
Office Expense/Supplies	125,735.26	7,032.25					4,294.37	137,061.88
Training and Dues	55,707.95	2,760.80	19,898.50				1,921.55	80,288.80
Jail Supplies and Expenses			96,481.34					96,481.34
Uniforms			8,236.59					8,236.59
Repairs and Maintenance	65,236.57		19,611.23					84,847.80
Communications			16,520.34	186,125.36				202,645.70
Law Enforcement Expenses			3,013.53			15,608.22	1,826.34	20,448.09
Jail Store Vendor				135,675.67				135,675.67
Inmate Withdrawals				68,575.50				68,575.50
Medical Expense				23,251.88				23,251.88
Miscellaneous	12,940.34	872.49			4,563.32	293.50	3,362.39	22,032.04
Total Disbursements	313,517.12	10,665.54	163,761.53	413,628.41	4,563.32	15,901.72	11,404.65	933,442.29
Excess of Receipts Over/(Under) Disbursements	1,814.99	(295.63)	18,975.54	2,667.99	14,840.33	608.75	4,664.35	43,276.32
<b>Transfers</b>								
Transfers In					13,263.68	17,719.67		30,983.35
Transfers Out					(17,719.67)	(13,263.68)		(30,983.35)
Total Transfers					(4,455.99)	4,455.99		
Excess/(Deficit) after Transfers	1,814.99	(295.63)	18,975.54	2,667.99	10,384.34	5,064.74	4,664.35	43,276.32
Balances - July 1, 2018	85,951.53	2,137.25	1,572.48	4,090.74	8,400.80	13,182.87	9,477.20	124,812.87
Balances - September 30, 2023	\$ 87,766.52	\$ 1,841.62	\$ 20,548.02	\$ 6,758.73	\$ 18,785.14	\$ 18,247.61	\$ 14,141.55	\$ 168,089.19