



**Examination of Certain Financial
Operations and Internal Policies & Controls
of the Unified Prosecutorial System**

April 2026

★ **AUDITOR ALLISON BALL** ★
KENTUCKY AUDITOR OF PUBLIC ACCOUNTS



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May 1, 2026

Bobby Stokes, Executive Director
Office of the Prosecutors Advisory Council
1024 Capital Center Drive, Suite 200
Frankfort, Kentucky 40601
Via email: bstokes@prosecutors.ky.gov

Dear Mr. Stokes,

The Auditor of Public Accounts (APA) has completed a limited-scope special examination of the Unified Prosecutorial System (UPS). The purpose of this special examination was not to provide an opinion on UPS's financial statements, but to review fiscal and operational activities related to UPS, as administered by the Prosecutors Advisory Council (PAC), and to make recommendations to strengthen and improve internal controls to ensure operating activities are consistent, transparent, and statutorily compliant.

This report summarizes the procedures performed and communicates the results of those procedures. Detailed findings and recommendations based on our limited-scope special examination are presented to assist management in implementing corrective action. Overall, these findings indicate the following:

- PAC Did Not Comply With Statutes And Its Administrative Manual When Hiring New Personnel For Various Positions.
- PAC Did Not Maintain Adequate Documentation To Support Either The Statutorily Required Number Of Additional Assistants Or The Real Need For Additional Positions.
- PAC Does Not Have Documented Procedures In Place To Safeguard Asset Forfeiture Funds Received, For Follow-Up On Funds Returned For Additional Information, And For Reconciling Funds Received To Funds Deposited.
- PAC Inconsistently Followed Criteria Regarding The Approval Of Asset Forfeiture Fund Expenditures, Including The Approval Of Purchases Without A Law Enforcement Purpose.
- Expenditures Reviewed Found Non-Compliances With The PAC Administrative Manual.

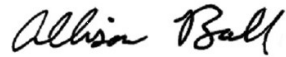
Additionally, two observations are noted in this report. The observations indicate the following:

- Numerous Commonwealth's And County Attorney Offices Exceeded Their FY 2024 Individual Budgets.
- The Ethics Code For UPS Should Be Strengthened By Including An Enforcement Section.

Pursuant to KRS 43.090(1), “[w]ithin sixty (60) days of the completion of the final audit or examination report, the agency to which an Auditor's report pertains shall notify the Legislative Research Commission and the Auditor of the audit recommendations it has implemented and of the audit recommendations it has not implemented. The agency shall state the reasons for its failure to implement any recommendation made in the final audit or examination report. All audit reports and agency responses shall be, subject to KRS 61.870 to 61.884, posted online in a publicly searchable format.”

Thank you for your attention to these matters and your cooperation with this special examination. If you have any questions regarding this report, please contact Bryan Morrow, the Office of Special Examinations Executive Director, at BryanD.Morrow@ky.gov.

Respectfully submitted,



Allison Ball

Auditor of Public Accounts

CC Hon. Russell Coleman, Attorney General, ag.coleman@ky.gov

CHAPTER 1: Introduction and Background

Examination Scope

The APA conducted a limited-scope special examination of the Unified Prosecutorial System (UPS) at the direction of the General Assembly in the 2024 budget bill (House Bill 6). This special examination was not to provide an opinion on the Unified Prosecutorial System's financial statements or to duplicate work of routine financial statement audits, but to review certain financial activities, policies, and procedures of the Unified Prosecutorial System. To achieve this purpose, our office focused primarily on the role of the Prosecutors Advisory Council (PAC) as it relates to Kentucky's Commonwealth's attorneys, county attorneys, and the overall Unified Prosecutorial System. Auditors interviewed key individuals, reviewed certain information, including, but not limited to, budget reports, support for employment actions, and documentation of forfeiture fund spending, and performed other procedures as deemed necessary. Unless otherwise specified, the examination procedures focused primarily on activity between July 1, 2023, and December 31, 2024.

Office of Attorney General

Under KRS 15.020, the Attorney General is the chief law officer and legal advisor of the Commonwealth and all its departments and may furnish a written opinion touching any of their official duties. The Attorney General may also bring any action challenging the constitutionality of a Kentucky statute, executive order, administrative regulation, or order of any cabinet, program cabinet, or department under KRS Chapter 12.

KRS 15.700 established the Unified Prosecutorial System, with the Attorney General serving as the Commonwealth's chief prosecutor. Additionally, KRS 15.705 established the Prosecutors Advisory Council to administer UPS and requires the Attorney General, or designee, to chair PAC.

Unified Prosecutorial System

The Kentucky Unified Prosecutorial System was established in 1978 to encourage cooperation among law enforcement officers; to provide for the general supervision of criminal justice by the Attorney General, the Commonwealth's chief law enforcement officer; to maintain uniform and efficient criminal law enforcement; and to ensure the administration of criminal justice throughout Kentucky. KRS 15.700 designated the Attorney General as the chief prosecutor of the Commonwealth.

The Unified Prosecutorial System is made up of the elected Commonwealth's and county attorneys across the Commonwealth and is governed and overseen by the Prosecutors Advisory Council. PAC directs the preparation of the UPS budget, and PAC staff administers the budget. Additionally, PAC is responsible for the continuing legal education and program development of the UPS, in addition to proposing and adopting the code of ethics for prosecutors within the UPS. There are currently 57 Commonwealth's and 120 county attorneys making up the UPS.

Commonwealth's Attorneys

Section 97 of the Kentucky Constitution requires an election every six years for a Commonwealth's attorney in each judicial circuit. To be eligible for office, an individual must be a citizen of Kentucky, be at least 24 years of age, have lived in Kentucky for at least two years, and have lived in the judicial circuit he or she is a candidate in for one year preceding his or her election. Additionally, the candidate must have been a licensed practicing lawyer for four years.

Commonwealth's attorneys prosecute felony crimes in Kentucky and serve as the highest-ranking law enforcement officials in their jurisdiction. Commonwealth's attorneys' duties also include advising the collector of money for the Commonwealth in each of their district's counties regarding motions against delinquent collecting officers for failing to return collection execution, and prosecuting these motions; and to investigate and inquire into unsatisfied judgments in their district in favor of the Commonwealth, and thereby to take all necessary steps by motion, action, or otherwise to collect the judgments into the State Treasury.

Commonwealth's attorneys are charged by KRS 69.013, as a special prosecutor of the Commonwealth, to perform duties and services as required by the Attorney General.

County Attorneys

Section 99 of the Kentucky Constitution requires an election every four years for a county attorney in each county. Similar to the Commonwealth's attorneys, to be eligible for office, an individual must be a citizen of Kentucky, be at least 24 years of age, have lived in Kentucky for at least two years, and have lived in the county he or she is a candidate in for one year preceding his or her election. However, to be a county attorney, an individual only needs to have been licensed practicing lawyers for two years.

County attorneys are charged in KRS 69.210 with attending the fiscal court or consolidated local government and conducting business interests of the county or consolidated local government. They are also charged with providing legal advice to the fiscal court or consolidated local government. County attorneys are primarily responsible for prosecuting all misdemeanor

violations of criminal law within the district court's jurisdiction, including DUI offenses, traffic violations, assault, and theft of less than \$300. Additionally, county attorneys have prosecutorial jurisdiction over juvenile issues and work with judges to issue emergency protective orders in domestic violence cases. In circuit court, county attorneys can conduct felony preliminary hearings and prosecute to recover delinquent taxes.

Prosecutors Advisory Council and Staff

PAC

The Prosecutors Advisory Council is made up of the Attorney General (or his or her designee) as the chair, five Commonwealth's attorneys, five county attorneys, and two non-attorney citizens. KRS 15.705 specifies the requirements for each member, as follows:

The five Commonwealth's attorneys include:

- One from the 1st through the 19th Judicial Circuit;
- One from the 20th to the 38th Judicial Circuit;
- One from the 39th to the 57th Judicial Circuit; and
- Two from any judicial circuit who serve at large.

The five county attorneys include:

- One from a county with a population of at or greater than 75,000;
- One from a county with a population of at or greater than 25,000, but less than 75,000;
- One from a county with a population less than 25,000; and
- Two from any other county to serve at large.

The two non-attorney citizen members include:

- One of whom is appointed by the Attorney General from a list of three names submitted by the Kentucky Commonwealth's Attorneys Association; and
- One appointed from a list of three names submitted by the Kentucky County Attorneys Association.

The Attorney General shall serve during his or her term of office, and the other members shall serve for a term of two years. Commonwealth's and county attorneys may not serve more than two consecutive terms.

Responsibilities

KRS 15.705 established the Prosecutors Advisory Council to administer the Unified Prosecutorial System. The Prosecutors Advisory Council is responsible for activities including, but not limited to, preparing the budget of the Unified Prosecutorial System; continuing legal education and program development of UPS; and proposing and adopting a code of ethics for prosecutors within the UPS. PAC is also responsible for collecting data on sexual offenses involving minors, applying for and receiving funds to assist Commonwealth's and county attorneys, directing the intervention of the Attorney General in local criminal prosecutions, providing advice and consent for Commonwealth's and county attorneys to hire more staff, and establishing guidelines for salaries for personnel in Commonwealth's and county attorneys' offices.

Additionally, PAC is responsible for reviewing applications for reimbursement submitted through the Kentucky Victim and Witness Protection Program established by 40 KAR 6:010. This reimbursement program provides protective services to crime victims, witnesses, and their immediate families. Per Section 4 of the regulation, PAC recommends approval for reimbursement to the Attorney General, who, after reviewing, may approve or deny the application in whole or in part. Because no applications were received during the exam period, auditors were unable to verify whether applications were approved and met state criteria.

PAC also administers grant funds awarded by the Department of Justice to assist Commonwealth's and county attorneys in providing crime victim assistance. Auditors reviewed Victim of Crime Act (VOCA) grants administered by PAC during the exam and noted no exceptions with the grants tested.

Staff

A staff of 23, including an Executive Director, currently assist PAC in administering the Unified Prosecutorial System. This staff oversees day-to-day needs in the areas of budget/policy, fiscal/leasing responsibilities, training and employment law, human resources, information technology, and grant administration for PAC and UPS.

Budget

As previously discussed, PAC is statutorily responsible for the preparation of the UPS budget, which encompasses the expenses of all Commonwealth's and county attorneys, as paid for from the Commonwealth's General Fund. PAC staff determines budget needs, using both prior year budget information and responses from mandatory surveys sent to Commonwealth's and county attorneys, which provide information about their activities, caseloads, supplies, and travel budgets.

Figures 1 and 2 show a breakdown of General Fund appropriations from the UPS budget for Commonwealth's attorneys and county attorneys for FY 2024 and FY 2025.

Figure 1: Commonwealth's Attorney General Fund Appropriation

	Funded FY 2024	Funded FY 2025
Base Budget	\$60,708,300	\$69,164,700
Defined Calculations	Included in Base Budget	Included in Base Budget
1% Staff Salary Increase	Included in Base Budget	Included in Base Budget
Rocket Docket – General Fund	\$1,416,700	\$1,416,700
Salary Compensation Standardization	\$0	\$2,944,900
Additional Positions Requested (<i>From Budget Surveys</i>)	\$2,462,200	\$2,500,000
Part-time to Full-time Conversion	\$547,100	\$0
Unified Case Management Software (SaaS)	\$0	\$1,214,100
PAC Administrative Staff Funding	\$0	\$125,000
Marsy's Law – Advocates	\$0	\$0
Rocket Docket Funding (<i>Restricted Fund Replacement</i>)	\$0	\$0
Lease Increases	\$0	\$0
Expert Witness (202c)	\$0	\$0
SB90 Program Coordinators	\$0	\$0
Victim Witness Protection Funding	\$0	\$0
Total	\$65,134,300	\$77,365,400

Source: APA, based on financial information provided by PAC staff.

Figure 2: County Attorney General Fund Appropriation

	Funded FY 2024	Funded FY 2025
Base Budget	\$59,567,400	\$63,307,500
Defined Calculations	Included in Base Budget	Included in Base Budget
1% Staff Salary Increase	Included in Base Budget	Included in Base Budget
Rocket Docket – General Fund	\$549,800	\$549,800
Co Atty Retirement (AALC)	\$1,930,200	\$1,590,600
Salary Compensation Standardization	\$0	\$8,278,500
Additional Positions Requested (<i>From Budget Surveys</i>)	\$3,011,900	\$3,500,000
PAC Administrative Staff Funding	\$0	\$125,000
Expert Witnesses – Juvenile	\$75,000	\$0
Unified Case Management Software (SaaS)	\$0	\$1,432,500
Marsy's Law – Advocates	\$0	\$0
SB90 Program Coordinators	\$0	\$0
Additional Operating	\$0	\$0
Total	\$65,134,300	\$78,783,900

Source: APA, based on financial information provided by PAC staff.

While KRS 15.750 requires each Commonwealth's and county attorney to submit a proposed budget for their office to PAC, PAC staff stated that operating budgets are allocated for the officials based on the prior year's numbers, with any additional funds needed to be based on the survey results. PAC approves the biennial budget and will contact any elected officials who did not respond to the survey.

Spending within this budget is at the discretion of the elected officials. KRS 15.750 states that office expenses incurred by the Commonwealth's attorney in the performance of his or her duties are to be paid by PAC. Similarly, the same statute states that office expenses incurred by the county attorney in the performance of his or her duties as criminal prosecutor will also be paid by PAC. PAC staff pay some expenses directly to the vendor, while other expenses are reimbursed to the Commonwealth's or county attorney offices or directly to staff.

CHAPTER 2: Findings and Recommendations

Five detailed findings and recommendations based on the special examination are presented in this report to assist management in implementing corrective actions. These findings highlight an overall lack of adequate written procedures and oversight for various functions of the office, resulting in inconsistencies and errors.

Finding 1: PAC Did Not Comply With Statutes And Its Administrative Manual When Hiring New Personnel For Various Positions.

While reviewing the hiring process for both assistant attorney positions and other personnel, auditors examined applicable statutes and the PAC Administrative Manual to determine hiring criteria. KRS 15.760 and KRS 15.770, which both took effect in 1978, have always included a requirement that salaries for such positions would be based upon the guidelines established by PAC; however, PAC did not approve a Salary Classification and Compensation Plan (SCCP) for Commonwealth's and county attorneys until June 2024. The SCCP provides job titles with minimum education and experience requirements, along with minimum full-time and part-time annual salary amounts. Prior to the establishment of the SCCP, PAC had not established written criteria for classification and compensation, as salaries were based on individual office budgets. In our test of employee files, compliance issues were found related to salary amounts and supporting documentation requirements.

Per the PAC Administrative Manual, personnel vacancies within Commonwealth's and county attorney offices are filled by the elected official. The manual also outlines the requirements when filling any position within UPS.

An appointment letter and application must be uploaded at least eight working days prior to the appointment date. The letter must be on official letterhead, signed by the elected official, and contain the following information:

- Full name of appointee;
- Starting date on 1st or 16th of month;
- Specific classification, and position number to be filled;
- Status of position (full-time, part-time, or quarter-time); and
- Annual salary (including a breakdown if multiple funding sources).

New employees, newly elected or appointed officials, must complete and upload an application packet that contains the following:

- Personnel application signed by applicant;
- Completed and signed tax forms: K-4 Employees' Withholding Exemption Certification (state) and W-4 Employees' Withholding Allowance Certificate (federal);
- Completed and signed Form I-9, U.S. Department of Justice/Immigration and Naturalization Services;
- Health Insurance Applications or waiver form; and
- Retirement forms.

During the examination, the auditors selected the personnel files of 10 assistant Commonwealth's attorneys and 10 assistant county attorneys for review. In addition, five non-attorney personnel files were selected from Commonwealth's attorney offices and five from county attorney offices. These 30 personnel files were reviewed to determine PAC's compliance with internal hiring policies and procedures. The following issues were noted in this evaluation:

- Thirteen instances where an appointment letter was not submitted within eight days prior to the appointment.
- Two instances where the appointment letter did not contain all the required information.
- Six instances where auditors were unable to determine if the position filled was a vacancy or a new position, and no PAC approval was noted.
- Eighteen instances where auditors were unable to determine if the salary was appropriate – no salary schedule (prior to the SCCP) or the employee under review was a quarter-time employee not covered under a salary schedule.
- Nine instances where an employee was hired at a salary above the minimum for the next level position. This includes one instance in which a Commonwealth Detective I was hired at a salary higher than the Detective II or Detective Supervisor minimum salary.
- One instance where an employee started working on July 1, 2024, but the official did not submit the appointment letter until September 9, 2024, for PAC approval.
- One instance where an Assistant Commonwealth's Attorney was appointed without a license, resulting in the official having to submit a corrected appointment letter dated for the following month, changing the position to a full-time Law Clerk at the same salary.
- Two instances where a document in the application packet was not signed by the applicant.
- Two instances where the appointment letter did not document PAC approval.

Recommendations

We recommend UPS-PAC ensure compliance with the administrative manual and applicable statutes regarding personnel actions, and PAC ensure the approval process is documented in a clear, consistent, and complete manner. PAC staff should ensure all documentation is completed in a timely manner and maintained in personnel files.

Finding 2: PAC Did Not Maintain Adequate Documentation To Support Either The Statutorily Required Number Of Additional Assistants Or The Real Need For Additional Positions.

While KRS 15.770 discusses the requirements for hiring assistant county attorneys within county attorney offices, PAC staff did not maintain evidence that approved appointments were for additional (new) positions versus to fill previously approved positions, or that the real need for the requested appointment, if additional, was recognized at the time of appointment. Since staff do not track this process, they did not know when additional positions were first approved, what the real need was for the additional position based on when it was first approved, or if the real need for the additional position still exists, as additional positions that have been approved carry forward into new administrations.

The number of assistant county attorneys that a judicial district can maintain is outlined in KRS 15.770(1) as follows:

Each county attorney, with the approval of the Prosecutors Advisory Council, may appoint one (1) assistant county attorney for each District Judge in excess of one (1) in his judicial district unless prior approval is obtained from the Prosecutors Advisory Council for additional appointments; except no assistant county attorney may be appointed in multicounty judicial districts in which there are fewer District Judges than county attorneys unless prior approval is obtained from the Prosecutors Advisory Council for additional appointments.

Furthermore, both KRS 15.770(2) and KRS 15.760(2), which discuss staffing of both assistant attorneys and other positions at the county and Commonwealth's attorney offices, require that the number of assistant positions be based on real need and be "determined with the advice and consent of the Prosecutors Advisory Council." Although KRS 15.760 does address staffing of the Commonwealth's Attorney offices, specific statutory guidance regarding the number of assistant attorney positions does not exist as it does for county attorney offices.

Auditors conducted interviews and selected single and multicounty judicial districts to test for compliance with KRS 15.770. Supporting documentation for the selection included PAC meeting minutes, in which the council approved the appointment of an assistant county attorney. None of the appointments tested addressed the real need for the additional positions or approval for the judicial district to hire additional assistant county attorneys. There was no evidence that PAC was provided with a "real need" justification for additional assistants, nor was information provided to support that need. These positions, once created, will carry forward indefinitely, and we could not determine whether the initial position met the "real need" criteria under KRS 15.770. If the "real

need” is being considered and the appointment is for an additional position, this is not documented in the meeting minutes.

Recommendations

We recommend PAC ensure adherence with statute for approval of additional assistants and ensure the approval is properly documented and maintained.

Finding 3: PAC Does Not Have Documented Procedures In Place To Safeguard Asset Forfeiture Funds Received, For Follow-Up On Funds Returned For Additional Information, And For Reconciling Funds Received To Funds Deposited.

Asset forfeiture funds collected by local prosecutors are paid to PAC for deposit on behalf of the Commonwealth's and county attorneys participating in the forfeiture. While there are statutory requirements and administrative regulations for processing asset forfeiture fund checks, as well as Finance and Administration Cabinet (FAC) guidance regarding the handling of cash, the PAC Administrative Manual does not provide any detailed procedures to ensure adequate controls are in place to safeguard these funds or follow up on these checks. During our review, we noted various inconsistencies and noncompliance in PAC's management of asset forfeiture funds.

As outlined in KRS 218A.420(4), the proceeds from the sale of property forfeited are required to 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.

Section 2 of 40 KAR 4:010 provides the following procedures for submitting asset forfeiture funds to PAC:

- (1) Asset forfeiture moneys paid to a Commonwealth's or county attorney shall be forwarded by the Commonwealth's or county attorney to the Prosecutors Advisory Council, Office of the Attorney General
- (2) Any asset forfeiture check forwarded to the Prosecutors Advisory Council shall be accompanied by the following:
 - (a) A copy of the final order of forfeiture; and
 - (b) A completed "Submission of Asset Forfeiture Moneys," form.
- (3) Any asset forfeiture moneys submitted to the Prosecutors Advisory Council without the foregoing shall be returned to the Commonwealth's or county attorney within two (2) weeks.

Finance Administrative Policy (FAP) 120-24-00 addresses various aspects of cash handling by state agencies, departments, institutions, boards, commissions, and other public entities. In Section 3, this FAP, as put forth by the FAC, provides guidance regarding the need for the timely deposit of checks, while Section 8 outlines the steps to take when loss of public funds is suspected. Although public entities such as PAC may implement stricter internal controls than those set forth in this FAP, the FAC and Kentucky State Treasury have the option to review PAC's internal policies to ensure the entity's internal controls are adequate.

The PAC Administrative Manual references KRS 218A.420 and 40 KAR 4:010 but does not state that moneys will be returned within two weeks if the proper documents are not attached. No additional procedures are documented as to how the checks received will be logged and deposited, or what controls should be used to safeguard the funds.

A review of forfeiture funds logged by PAC staff found the following noncompliance and tracking concerns:

- Due to a lack of tracking details, auditors were unable to determine if checks without the proper supporting documents were returned within two weeks as required by regulation. Additionally, PAC officials stated that the two-week return requirement was not feasible due to the volume of checks received.
- Based on the date the check was received by PAC and the deposit date, the checks reviewed took anywhere from 21 to 244 days to be deposited. Without consistently tracking the status of a check, PAC cannot determine whether the length of delay was due to a returned check or to a check being held due to insufficient documentation.
- One check received by PAC on October 4, 2023, was not deposited. At some undocumented point, PAC returned the check to the Commonwealth's attorney due to insufficient documentation; however, the check has not been resubmitted to PAC with the required documentation. According to PAC officials, the check remains undeposited and is currently in "escheat status."

A review of the Commonwealth's and county attorney asset forfeiture account balances found two county attorneys with account deficits of less than \$500. PAC officials stated this appeared to be an oversight, as account balances are checked prior to approving or processing payments from the account. However, this further demonstrates the need for improved oversight.

Recommendations

We recommend PAC evaluate and document the process for receiving and depositing asset forfeiture checks. The process should include tracking and reconciling received funds against deposited funds, implementing controls to ensure timely deposits, and ensuring checks returned to Commonwealth's and county attorneys due to insufficient documentation are resubmitted in a timely manner for processing and deposit. PAC should adopt policies and procedures to determine that assets received are handled in accordance with FAP 120-24-00. Furthermore, PAC should implement training or guidance for agencies to reduce the number of checks sent to PAC with insufficient documentation.

Finding 4: PAC Inconsistently Followed Criteria Regarding The Approval Of Asset Forfeiture Fund Expenditures, Including The Approval Of Purchases Without A Law Enforcement Purpose.

As discussed in Finding 3, PAC administers asset forfeiture funds for the Commonwealth's and county attorneys. Procedures established by 40 KAR 4:010 allow the Commonwealth's and county attorneys to use asset forfeiture funds deposited and tracked by PAC staff. This process is designed to enable PAC to monitor expenditures and ensure funds are spent only for required purposes. The statute's overarching principle is that funds may be spent only for legitimate law enforcement purposes; however, the regulation expressly prohibits certain uses. During our review of 50 forfeiture expenditures, we noted approvals for items without a legitimate law enforcement purpose and for purchases specifically prohibited by regulation, as well as payment for purchases not pre-approved.

KRS 218A.420(5) states that the Attorney General, in consultation with PAC, is required to promulgate administrative regulations to establish how these funds should be used. Per Section 4 of 40 KAR 4:010, asset forfeiture money is required to be spent for legitimate law enforcement purposes. This regulation provides examples of allowable and disallowed expenditures.

In our review, the forfeiture purchases approved without a law enforcement purpose included the following:

- Travel reimbursement of \$2,263 for a county attorney to attend a labor and employment law conference;
- Four back massage reclining office chairs with a footrest totaling \$910 for a Commonwealth's attorney's office;
- Two purchases of stainless-steel tumblers by a Commonwealth's attorney totaling \$4,462. One of these purchases included documentation from the Commonwealth's attorney addressing the particular size tumbler his "high maintenance" staff wanted to ensure the tumblers fit their Keurig; and
- Three varieties of shirts for a county attorney's office staff, noting "Dream Team" across the front for a total cost of \$1,018. While apparel identifying the office for specific educational or crime-prevention programs may be permitted under 40 KAR 4:010, Section 4(1)(h), general personal apparel is not permitted.

Asset forfeiture purchases specifically disallowed per 40 KAR 4:010, Section 4(2)(c) and (f) included:

- A \$502 airline ticket for comfort + class seating; and
- \$1,100 welcome mat for a Commonwealth's attorney's office.

There were also questionable purchases made totaling \$3,731 for an anti-drug ad and for cheerleading warm-up shirts and uniforms with an anti-drug slogan appearing on them, all of which prominently displayed the name of the Commonwealth's attorney. This appears to be personal political advertising, which is prohibited by 40 KAR 4:010, Section 4(2)(b).

Several purchase requests were approved despite insufficient information being provided to determine whether the expenditure was for a legitimate law enforcement purpose. For example, only one apparel request in the selection appropriately described the purpose and the staff who needed the clothing. All other requests simply stated shirts or jackets for the office staff. While a victim's advocate or detective may need apparel that identifies him or her, this would not be required of administrative staff working in an attorney's office each day. In addition, no requests submitted for furniture purchases documented whether operating funds were available. Therefore, PAC would not be able to verify that forfeiture funds were not being used for ordinary operating expenses prohibited under 40 KAR 4:010, Section (3).

Finally, auditors noted the following 12 inconsistencies with requests for approval to spend forfeiture funds:

- Five instances when a request for purchase approval was submitted after the invoice date.
- Four instances when emails were sent requesting payment for purchases instead of requesting approval to purchase. Of the four, one email referenced to a "previously approved use" of funds, and another requested authorization for payment of a subscription renewal.
- Two instances of purchases made without prior approval.
- One instance where a travel request was not submitted the required number of days prior to the expected travel date, as required by the PAC Administrative Manual.

These inconsistencies appear to be due to the lack of a documented process for forfeiture expenditures. When auditors inquired about this process, PAC staff stated a preference for having prior approval, but no documented process had been provided.

Recommendations

We recommend PAC ensure forfeiture expenditures are approved only for legitimate law enforcement purposes as outlined in the regulation. Requests that fail to provide sufficient details should be returned to the attorney to obtain adequate information, ensuring funds are spent only for authorized purposes. Lastly, we recommend PAC document the procedures for using forfeiture funds.

Finding 5: Expenditures Reviewed Found Non-Compliances With The PAC Administrative Manual.

In addition to issuing payments directly to vendors, PAC staff approve payment requests submitted by the Commonwealth's and county attorneys. To verify expenses paid were properly supported, approved, and appropriate, 30 operating and 50 forfeiture expenditures were reviewed. The following exceptions were noted:

- Two expenditures (one operating and one forfeiture) were paid without an invoice;
- Two county attorneys in the selection were incorrectly charged for an operating expenditure of another county attorney due to a coding error; and
- Sales tax was paid on a copier agreement.

Auditors also noted the following expenditures were approved even though they did not comply with the PAC Administrative Manual:

- Page 41 of the manual states, "Cell phones/iPads/Cable TV service are not provided to or budgeted for County or Commonwealth's Attorneys through the Unified Prosecutorial System general fund budget." However, a county attorney purchased four iPads with general fund money, and a Commonwealth's attorney was reimbursed for cable TV service from their operating budget.
- Page 37 of the manual states that tips on Uber/cab fares should not be claimed; however, tips were included and paid on two travel reimbursements.
- Page 38 of the manual states that requests for out-of-state travel "should be submitted at least 30 days in advance of expected travel." Three travel requests selected were not submitted within this timeframe. While one included an explanation for the expedited request, the other two were approved without any such explanation or documentation.

In addition, auditors noted a Commonwealth's attorney submitted a request to pay an expenditure from forfeiture funds, but the expense was paid from General Fund monies. The support provided did not explain why forfeiture funds were not used, and no documentation was included addressing whether the attorney was informed that forfeiture funds were not used as requested.

Recommendations

We recommend PAC implement review procedures to ensure expenditures are allowable, properly documented, and in compliance with policies in place.

CHAPTER 3: Observations

Observation 1: Numerous Commonwealth's And County Attorney Offices Exceeded Their FY 2024 Individual Budgets.

As discussed previously in this report, annual budgets for each Commonwealth's and county attorney are decided based on general funds appropriated for the UPS in the Executive Branch budget and approved by PAC. These individual budgets are broken down into operating and personnel.

The majority of each county attorney's budget is allocated for personnel expenses, while the allocation for operating expenses has been set at \$8,000 annually since FY 2023. Commonwealth's attorneys also receive allocations for both personnel and operations within their approved budgets. Funding levels for operations are based on available funding, historical expense data, and anticipated future savings or rate increases in certain categories. There are separate allotments for certain categories, including but not limited to travel, supplies, and postage.

The PAC Administrative Manual further specifies that unused operating funds will lapse and will not be carried forward into the next fiscal year. The manual also states that funds allocated for operating cannot be used for personnel and funds allocated for personnel cannot be used for operating, except with specific approval from the PAC.

Auditors performed a high-level review of the FY 2024 budgets for all Commonwealth's and county attorneys. Although the total expenditures for the UPS did not exceed the established budget, there were numerous Commonwealth's and county attorneys who exceeded their individual operating, personnel, or both budgets.

Of the 57 Commonwealth's attorney budgets reviewed, the following overages were identified:

- Forty-four Commonwealth's attorneys exceeded their approved budget allocation for operations by a combined \$859,220. The individual overages ranged from approximately \$151 to \$236,098.
- Twenty-three Commonwealth's attorneys exceeded their approved budget allocation for personnel by a combined \$442,944. The individual overages ranged from approximately \$1,873 to \$117,790.
- Seventeen Commonwealth's attorneys exceeded both their operating and personnel budget allocations.

Of the 120 county attorney budgets reviewed, the following overages were identified:

- Fifty county attorneys exceeded their approved budget allocation for operations by a combined \$235,355. The individual overages ranged from approximately \$7 to \$28,232.
- Forty-three county attorneys exceeded their approved budget allocation for personnel by a combined \$399,453. The individual overages ranged from approximately \$35 to \$45,596.
- Eighteen county attorneys exceeded both their operating and personnel budget allocations.

Based on information noted in the PAC Administrative Manual, changes to office budgets can be requested by Commonwealth's or county attorneys and considered for approval at upcoming PAC meetings. PAC staff provided explanations for most of the overages noted; however, based on a review of PAC meeting minutes from the period and the budget information provided by PAC staff, no budgets were officially amended. In addition, PAC staff acknowledged that they monitor the main UPS budget and individual office budgets, but do not amend/adjust the individual budgets.

Observation 2: The Ethics Code For UPS Should Be Strengthened By Including An Enforcement Section.

While there have been differing opinions as to which code of ethics applies to Commonwealth's and county attorneys and their staff, PAC adopted a code of ethics for UPS in February 2023 to comply with amendments made to KRS 15.705. Unlike the Executive Branch Code of Ethics, the PAC Code of Ethics for the UPS does not require financial disclosures from elected officials or outline next steps when ethical concerns or conflicts of interest occur. Penalties specific to type or frequency of violation are also not mentioned. Per PAC staff, ethics complaints are forwarded to the Kentucky Bar Association for review. In addition, the PAC Code of Ethics is not available online, but would be available under an open records request.

In January 2022, Executive Branch Ethics Commission Advisory Opinion 22-03 determined that both Commonwealth's attorneys and their employees are subject to the provisions of KRS Chapter 11A (Executive Branch Code of Ethics). Because KRS 11A.015 allows agencies to be exempt from the Executive Branch Code of Ethics if they create their own code of ethics through an Act of the General Assembly or by administrative regulation, PAC asked legislators during the 2022 General Session to require a code of ethics that would be more applicable directly to prosecutors rather than the generic code that they felt the Executive Branch had in place. During that session, the General Assembly amended KRS 15.705 to require PAC to propose and adopt an ethics code for prosecutors within UPS. This change took effect July 14, 2022, and PAC adopted a code of ethics for the UPS at its February 8, 2023, meeting.

In May 2024, the Executive Branch Ethics Commission issued Advisory Opinion 24-03 concluding that the PAC code of ethics does not modify the obligations of Commonwealth's attorneys and their staff under KRS 11A. Per this opinion, without legislative approval, PAC's code "does not contain an authorized enforcement process for ethical violations and abuse of state resources." This opinion also noted the PAC Code of Ethics was not available online. Neither the General Assembly nor PAC has taken action since the issuance of this advisory opinion to either put the code into statute or regulation.

UNIFIED PROSECUTORIAL SYSTEM RESPONSE



PROSECUTORS ADVISORY COUNCIL
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April 6, 2026

The Honorable Allison Ball
Auditor of Public Accounts
209 St. Clair Street
Frankfort, Kentucky 40601

RE: 2026 Special Examination of the Unified Prosecutorial System

Dear Auditor Ball:

The Prosecutors Advisory Council (PAC) has thoroughly reviewed the findings, recommendations and observations contained within the draft 2026 Unified Prosecutorial System Special Examination document. This letter will serve as an initial response to the report pursuant to KRS 43.090 (1). Based on the preliminary report, we have already taken the following steps:

- Implementing policies and procedures based on the information requested by the Auditor's Office and we will strive to continue that in accordance with the final report.
- Started the process of developing additional online and in-person programs to address the gaps and strengthen our offices.
- Successfully established the first-ever Salary Classification and Compensation Plan.

We take each finding and recommendation seriously and have already begun a plan to implement appropriate processes to improve our policies. Additionally, we are working to determine appropriate responses to the two noted observations.

We appreciate the time and professionalism your staff dedicated to this project. This audit was an opportunity to examine our internal policies and procedures and determine where we need to focus our attention. PAC is committed to administering the Unified Prosecutorial System budget and serving the employees of the 177 Commonwealth's and County Attorney offices in the Commonwealth with competence and integrity.

Allison Ball - PAC Special Examination Response
April 6, 2026
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Sincerely,



Robert Stokes, Executive Director
Office of the Prosecutors Advisory Council
On behalf of the Prosecutors Advisory Council



Allison Ball
Auditor of Public Accounts
2026 Unified Prosecutorial System Special Examination

