

# STATE AUDITOR DOUG HOFFER

## Press Release

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### **Auditor Doug Hoffer Releases Memo Declaring Orange County Sheriff's Department Cannot be Audited Due to Financial Management Irregularities**

MONTPELIER, VT – State Auditor Doug Hoffer released a memo today announcing that the Orange County Sheriff's Department cannot be audited at this time due to financial management irregularities. Arriving at such a conclusion is extremely rare for a public agency, Hoffer said, and reflects a judgment that the sheriff's books cannot be relied upon to accurately reflect the department's financial situation.

“The conclusion that the audit could not be completed was not made lightly but the conditions our auditing contractors found left them with no choice,” Hoffer said. “The problems were varied and extensive, from inaccurate bookkeeping entries to questionable use of bank loans to unsound management of assets.”

The State Auditor's Office is required by state law to conduct a financial audit of each sheriff's department once every two years, and also a “transition audit” whenever a sheriff leaves office. The Auditor currently contracts with McSoley McCoy & Co. to perform the audits. The memo is the result of a transition audit reflecting the final seven months of former Sheriff Bill Bohnyak's tenure.

Key findings of the review of that time period include:

- A Department loan of \$225,000 intended to be used to upgrade the Sheriff's Department building appears to have been used instead to purchase and outfit vehicles and to cover various office expenses, bonuses, uniforms, and dues expenses.
- Property and equipment had not been properly accounted for. All vehicle loan balances were inaccurately reflected on the financial statements.
- The accounts receivable and accounts payable reports as of January 31, 2023 were both materially misrepresented. Debt accounts were inappropriately accounted for. Bank accounts had not been reconciled. “Employee advances” relating to former employees totaling \$19,000 were on the books without any agreement documenting the terms of repayment.

Hoffer added: “While my office has helped improve the overall landscape of sheriff accounting in Vermont, we continue to encounter problems. The only real tools we have at our disposal are training and issuing financial audits. State law continues to grant sheriffs tremendous discretion

concerning the use of department funds and assets. Hopefully, the process set in motion by this year's [Act 30](#) will begin to make the use of these funds more transparent and accountable.”

McSoley McCoy & Co.’s memo is included with this release and also available [here](#).