

Special Report

Arkansas Legislative Audit

Law Enforcement Agencies' Compliance with Asset Seizure and Forfeiture Requirements

Uniform Controlled Substances Act

For the Calendar Year Ended December 31, 2025



INTRODUCTION

This report reviews law enforcement agencies' compliance with the asset seizure and forfeiture requirements of the Uniform Controlled Substances Act (Ark. Code Ann. § 5-64-505) for the year ended December 31, 2025. Arkansas Code provides for reporting noncompliant law enforcement entities to the responsible Circuit Court and the Arkansas Alcohol and Drug Abuse Coordinating Council as no longer eligible to receive grants or forfeited assets. The results of the review are provided on **pages 3 and 4**. A statewide summary of seized items entered into the Asset Seizure Tracking System (ASTS), maintained by the Arkansas Drug Director, for the review period is provided in **Schedule 1 on page 5**.

OBJECTIVES

The objectives of this review were to:

- Verify that law enforcement agencies completed and filed confiscation reports, in compliance with Arkansas Code.
- Confirm that law enforcement agencies, prosecuting attorneys, and other public entities properly accounted for seized property, in accordance with Arkansas Code.

SCOPE AND METHODOLOGY

This annual review was conducted for the period January 1, 2025 through December 31, 2025, and encompassed reports from various law enforcement agencies located across the State, as identified in **Exhibit I on page 2**. A map of the State's judicial districts is provided in **Exhibit II on page 2**.

To conduct the review, two seizure incidents in each judicial district selected were chosen from ASTS. Arkansas Legislative Audit (ALA) staff traced the seized assets recorded in ASTS to the supporting confiscation report and verified required procedures were followed in the disposition of the seized assets. Additionally, one confiscation report was randomly selected from the agency and traced to ASTS to ensure all seized assets were properly reported. Finally, one seized asset was randomly selected from the agency's evidence room and traced to the entity's confiscated inventory records.

ARKANSAS LEGISLATIVE AUDIT

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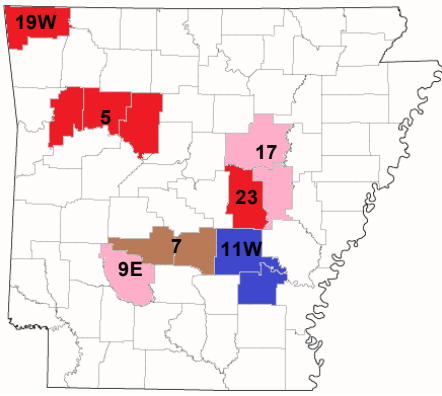
Report ID: SPSA00225

Report Date: May 19, 2026



Exhibit I

Uniform Controlled Substances Act
Judicial Districts Selected for Testing by Arkansas Legislative Audit (ALA)
Calendar Year 2025

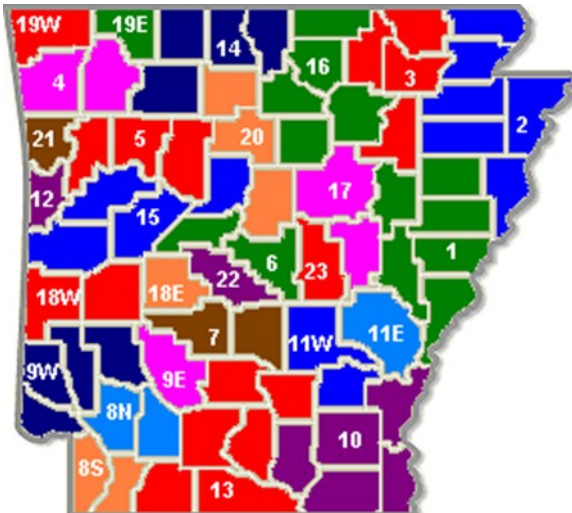
2025 Testing		Districts Selected for Testing
Judicial Districts (JD)	Agencies Selected for Testing	
Fifth	Arkansas State Police 5th Drug Task Force	 Note: ALA staff selected 7 of the 28 judicial districts in the State. Two confiscation reports were selected for testing from each district. Results from previous reviews are available on the ALA website at www.arklegaudit.gov.
Seventh ¹	Group 6 Narcotics Enforcement Unit (NEU) / 9th East Drug Task Force	
Ninth East ¹	Group 6 NEU/ 9th East Drug Task Force	
Eleventh West	Tri-County Drug Task Force White Hall Police Department	
Seventeenth ²	Central Arkansas Drug Task Force	
Nineteenth West	Bentonville Police Department Lowell Police Department	
Twenty-Third	Lonoke County Sheriff's Office Cabot Police Department	

¹ The 9th East and the 7th judicial districts share the 9th East Drug Task Force, which is also known as the Group 6 NEU.

² The majority of the confiscations processed in this judicial district were processed by the Central Arkansas Drug Task Force. As a result, ALA selected 2 confiscation reports from this judicial district for testing.

Exhibit II

Arkansas Judicial Districts



Source: Arkansas Judicial Directory

BACKGROUND

Ark. Code Ann. § 5-64-505(f) provides that, within 48 hours of an asset seizure, the seizing officer must file with the seizing law enforcement agency an original confiscation report to be maintained in a separate file. Within three business days of receiving the confiscation report, the seizing agency is required to forward a copy of the report to the prosecuting attorney and to the Arkansas Drug Director for entry in ASTS. In turn, the prosecuting attorney has 60 days to file a complaint in Circuit Court listing the seized property. This process is illustrated in **Exhibit III on page 3**.

RESULTS OF REVIEW

Calendar Year 2025

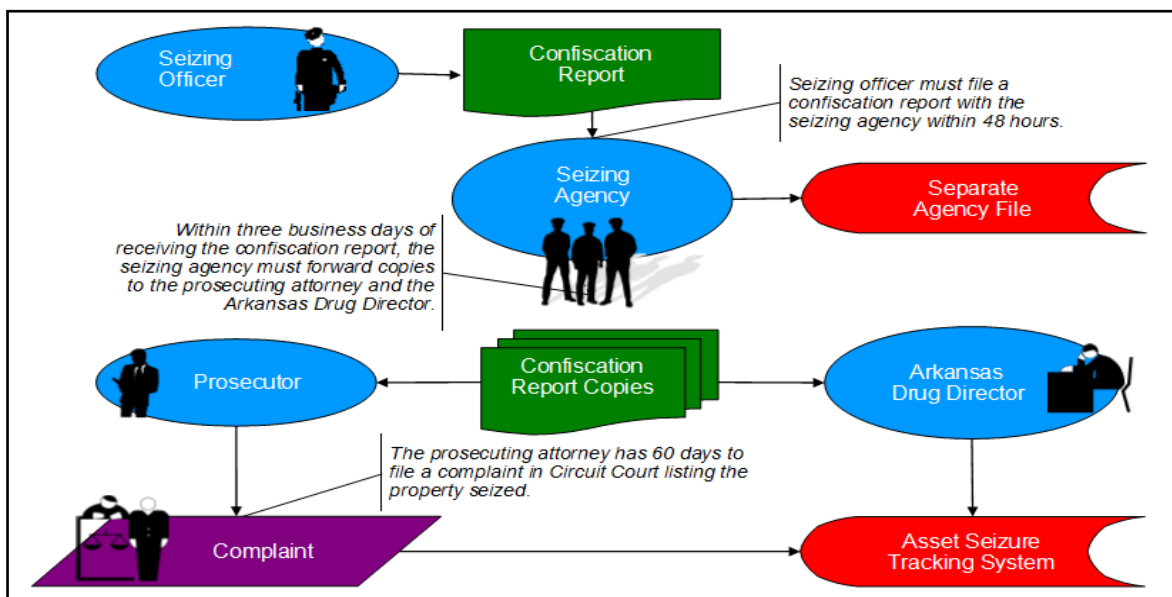
All material assets selected for testing were accounted for. However, as shown below, exceptions in recordkeeping were noted at 4 of the 10 agencies reviewed: the Lowell Police Department, the Lonoke County Sheriff's Office, the Tri-County Drug Task Force, and the Arkansas State Police.

- The Lowell Police Department and the Lonoke County Sheriff's Office did not maintain a separate file of original confiscation reports, as required by Ark. Code Ann. § 5-64-505(f)(2)(C)(ii).
- The Arkansas State Police did not obtain and maintain a proper transfer of property receipt, as required by Ark. Code Ann. § 5-64-505(e)(3).
- The Tri-County Drug Task Force did not forward the confiscation report to the Arkansas Drug Director within three business days, as required by Ark. Code Ann. § 5-64-505(f)(4).
- The Lonoke County Sheriff's Office did not maintain adequate seized property inventory records, as required by Ark. Code Ann. § 5-64-505(f)(5)(ii).

Responses from these agencies are provided in **Appendices A, B, C, and D**, respectively.

Exhibit III

Seized Asset Forfeiture Process



Source: Ark. Code Ann. § 5-64-505

Prior Calendar Years

ALA followed up with entities with findings in the previous calendar year to ensure corrective action has been taken. An updated status is provided below, along with the original finding.

Additionally, **Schedule 2 on page 6** provides the number of agencies reviewed by ALA and the number of agencies with exceptions for the past five calendar years.

Dallas County Sheriff's Office

Finding 1: The Agency did not maintain adequate seized property inventory records.

Update: The Agency implemented a new seized asset log that inventories all assets that are seized.

Finding 2: The Agency did not report the seizure of property to the Arkansas Drug Director within three business days.

Update: ALA staff obtained the ASTS from the Drug Director for calendar year 2026 as of April 30, 2026, and compared seizure dates for the Dallas County Sheriff's Office to the received date in the ASTS. This comparison revealed a total of two confiscation reports were filed and submitted to the Drug Director within three business days.

8th South Drug Task Force/Texarkana Police Department

Finding 1: The Agency did not maintain adequate seized property inventory records.

Update: An asset inventory log was created and maintained by the Agency. ALA staff compared the log with the ASTS and noted no exceptions.

Finding 2: The Agency did not complete and file a proper transfer of property document.

Update: Upon review of the Agency's new asset log, it was noted that one asset was ordered to be returned to a defendant. ALA staff verified this information in Court Connect and obtained a signed release form documenting return of the asset to the defendant.

Alma Police Department

Finding 1: The Agency did not maintain adequate seized property inventory records.

Update: As of April 30, 2026, the Alma Police Department had submitted only one confiscation report to the Drug Director, and that report was filed along with the 21st Drug Task Force. The vehicle was housed at the Crawford County Sheriff's Office and was not in the possession of the Alma Police Department; therefore, no assets were available for inventory. No further review was considered necessary.

Finding 2: The Agency did not maintain a file of original confiscation reports.

Update: The Agency filed no confiscation reports from January 1, 2025 through April 30, 2026; therefore, no separate file was necessary.

Finding 3: The Agency did not include the odometer reading on the confiscation report.

Update: The Agency did not seize any vehicles from January 1, 2025 through April 30, 2026; therefore, no testing could be completed on corrective action taken.

Schedule 1

**Arkansas Drug Director
Asset Seizure Tracking System (ASTS) - Seized Assets
For the State's 28 Judicial Districts
January 1, 2025 through December 31, 2025**

<i>Judicial District</i>	<i>Currency</i>	<i>Automobiles</i>	<i>Firearms</i>	<i>Other* **</i>	<i>Counties</i>
1st	\$ 69,964	5	1		Cross, Lee, Monroe, Phillips, St. Francis, and Woodruff
2nd	401,641	26	50	3	Clay, Craighead, Crittenden, Greene, Mississippi, and Poinsett
3rd	191,521	14	56	4	Jackson, Lawrence, Randolph, and Sharp
4th	81,947	4			Madison and Washington
5th	456,289	25	22	2	Franklin, Johnson, and Pope
6th	272,829	3	1		Perry and Pulaski
7th	96,443	2	8		Grant and Hot Spring
8th North	21,684	1			Hempstead and Nevada
8th South	30,150	11			Lafayette and Miller
9th East	34,393	2	18		Clark
9th West	1,648	3		3	Howard, Little River, Pike, and Sevier
10th	35,179	12	45	11	Ashley, Bradley, Chicot, Desha, and Drew
11th East	16,043	7	5	2	Arkansas
11th West	55,593				Jefferson and Lincoln
12th	64,484	35	7	3	Sebastian
13th	154,461	6	51		Calhoun, Cleveland, Columbia, Dallas, Ouachita, and Union
14th	41,872	5	6		Baxter, Boone, Marion, and Newton
15th	232,766	6	42		Conway, Logan, Scott, and Yell
16th	39,770	6	27		Cleburne, Fulton, Independence, Izard, and Stone
17th	276,918	7	53	3	Prairie and White
18th East	87,692	16			Garland
18th West	3,349	4	20		Montgomery and Polk
19th East	3,850				Carroll
19th West	136,520	10	74	3	Benton
20th	159,810	15	2		Faulkner, Searcy, and Van Buren
21st	664,577	34	7	8	Crawford
22nd	16,864	1		1	Saline
23rd	562,226	8	5	1	Lonoke
Totals	\$ 4,210,485	268	500	44	

*Includes, but is not limited to, all-terrain vehicles, campers, trailers, electronics, jewelry, and real property.

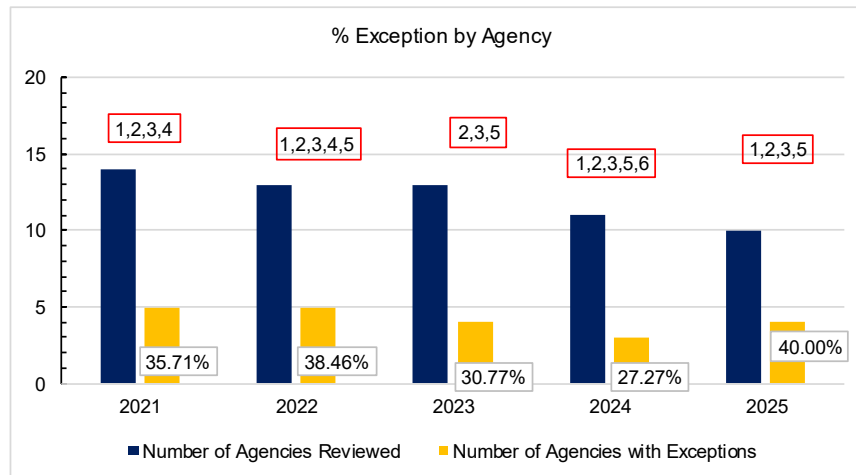
**Represents the number of incidents in which these types of items were seized. The Arkansas Drug Director's ASTS Report listing does not provide an actual count of these items.

\$ 45,925,671 3,913 5,214 604 10 Year Totals (2016 through 2025)

Source: Arkansas Drug Director (unaudited by Arkansas Legislative Audit)

Schedule 2

Agencies Reviewed by Arkansas Legislative Audit and Agencies with Exceptions
For Calendar Years 2021 through 2025



 Reflects the type of exception noted each year, as listed below.

- 1 Ark. Code Ann. § 5-64-505(f)(5) requires that an inventory listing for seized property be maintained.
- 2 Ark. Code Ann. § 5-64-505(f)(2)(C)(ii) requires that an Agency maintain a file of original confiscation reports.
- 3 Ark. Code Ann. § 5-64-505(f)(4) requires that an Agency report a seizure of property to the Arkansas Drug Director within three business days.
- 4 Ark. Code Ann. § 5-64-505(g)(2)(A) requires a prosecuting attorney to file a complaint within 60 days after receiving a copy of a confiscation report from a seizing law enforcement agency or within 120 days with a statement of good cause for late filing.
- 5 Ark. Code Ann. § 5-64-505(e)(3) requires that "in any case of transfer of property, a transfer receipt shall be prepared by the transferring agency" and that "the transfer receipt shall: i) list a detailed and complete description of the property being transferred; ii) state to whom the property is being transferred and the source or authorization for the transfer; and iii) be signed by both the transferor and the transferee."
- 6 Ark. Code Ann. § 5-64-505 (f)(3) provides for proper content to be included on the confiscation reports, including the odometer reading of the seized vehicle.

Appendix A

Management Response Lowell Police Department



Lowell Police Department

Lowell Police Dept.
216 N. Lincoln Street
Lowell, Arkansas 72745
479-659-8888 (Dispatch)
479-659-0302 (Fax)

Chief T. Kuth

Date: April 21st, 2026

To: Josh Davis, CPA Staff Auditor

From: Capt. Kno Phonexayphova

Subject: Corrective Action Plan- Maintenance of Original Confiscation Reports

To

This letter serves as the Lowell Police Department's written corrective action response regarding the audit finding related to the maintenance of original confiscation reports, as referenced under A.C.A. 5-64-505.

The audit noted that original confiscation reports completed by seizing officers were not being maintained in a separate file as required. The Lowell Police Department acknowledges this requirement and has taken corrective measures to ensure full compliance.

To remedy this finding, the department has established a dedicated binder exclusively for the storage of all original confiscation reports. This binder will be maintained as a separate file in accordance with A.C.A. 5-64-505. Copies of confiscation reports will continue to be placed in the appropriate case files; however, the originals will remain secured in the designated binder for audit and compliance purposes.

This corrective action has been implemented to strengthen documentation practices and ensure adherence to statutory requirements moving forward.

Respectfully,

X

Kno Phonexayphova
Captain-Lowell Police Dept.

Appendix B

Management Response Lonoke County Sheriff's Office



COUNTY OF LONOKE

OFFICE OF THE SHERIFF

JOHN STALEY
SHERIFF

440 DEE DEE LANE • LONOKE, ARKANSAS 72086-8158
TELEPHONE: (501) 676-3000 • FAX: (501) 676-3017 • WWW.LONOKESO.COM

DANNY CLEM
CHIEF DEPUTY

April 9, 2026

Josh Davis
Arkansas Legislative Audit
500 Woodlane Street, Suite 172
Little Rock, AR. 72201-1099

RE: Lonoke County Sheriff's Office
Asset Forfeiture Review Findings and
Corrective Action Plan

Mr. Davis,

During the Lonoke County Sheriff's Office audit for Asset Forfeiture on Thursday, April 9, 2026 there were two findings discovered. Below is a list of the findings and the corrective action plans to be implemented by April 30, 2026. Should you have any questions or suggestions, please feel free to contact me.

Finding 1

- Law enforcement agency did not maintain adequate seized property inventory records as required by A.C.A. 5-64-505 (f) (ii).

Corrective Action Plan:

- Create a spreadsheet outlining seized property and disposition of seized property

Finding 2

- Agency did not maintain a file of confiscated reports as required by A.C.A. 5-64-505 (f) (2)

Corrective Action Plan

- Create and maintain a master file of the original confiscation report separately and create and maintain a copy file of the original confiscation reports separately.

Respectfully,

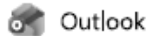
A blue ink signature of Danny Clem, Chief Deputy, is written over the name and title.

Danny Clem
Chief Deputy

Serving with Courage, Integrity, and Professionalism
— Since 1873 —

Appendix C

Management Response Tri-County Drug Task Force



Corrective Actions

From Yohance Brunson <ybrunson@jeffersoncountyarsheriff.gov>

Date Wed 5/13/2026 12:51 PM

To Josh Davis <josh.davis@arklegaudit.gov>

 1 attachment (45 KB)
20260513125952.pdf;

Mr. Davis I have spoken to Ms. Dina Holliman about our confiscation reports. Our corrective action will be now that she CC me in the email sent to the Arkansas Drug Director and we will follow up with a phone call to insure a timely receipt. Ms. Dina sent in a confiscation report on April 30th 2026, in which we received a verification email from Asset Forfeiture on May 4th 2026 along with a tracking number

Thank you for your time

Appendix D

Management Response Arkansas State Police



Mike A. Hagar
Secretary

State of Arkansas
Governor Sarah Huckabee Sanders

ARKANSAS STATE POLICE

1 State Police Plaza Drive Little Rock, Arkansas 72209-4822 www.asp.arkansas.gov

"SERVING WITH PRIDE AND DISTINCTION SINCE 1935"



Mike A. Hagar
Director

April 23, 2026

ARKANSAS STATE POLICE COMMISSION

Jim Hinkle
Chairman
Conway

Ken Reeves
Vice-Chairman
Harrison

Neff Basore
Secretary
Bella Vista

Mike Akin
Monticello

Steve Edwards
Marianna

Jeff Teague
Fayetteville

John Allison
Conway

Mr. Josh W. Davis, CPA
Arkansas Legislative Audit
500 Woodlane Street, Ste. 172
Little Rock, AR 72201

Dear Mr. Davis:

The Arkansas State Police is submitting the following update concerning the audit finding from your recent review of property seized for forfeiture for calendar year ended December 31, 2025.

Report Finding:

Your findings were that the agency released property without the proper transfer of property required by A.C.A. 5-64-505 (e) (i).

Corrective Action:

The trooper completed the required documentation on the seizure and forfeiture of the U. S. Currency and vehicle but failed to comply with existing Arkansas State Police Policy, Law Enforcement Section 16, Property and Evidence Control. The trooper failed to complete and submit Arkansas State Police form ASP-2, Receipt of Evidence.

The trooper has been counseled for his non-compliance of Arkansas State Police Policy, Law Enforcement Section 16, Property and Evidence Control.

We appreciate the assistance given to Arkansas State Police by Legislative Audit and your continued support as we work to improve our department operations. If you need any further information or have additional questions, please do not hesitate to contact me.

Sincerely,

Mike A. Hagar
Colonel

26-084

