

**REPORT OF THE AUDIT OF THE
FORMER ADAIR COUNTY
SHERIFF'S SETTLEMENT - 2023 TAXES**

**For The Period
September 1, 2023 Through August 31, 2024**



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ALLISON BALL AUDITOR OF PUBLIC ACCOUNTS

Independent Auditor's Report

To the People of Kentucky

The Honorable Andy Beshear, Governor
Holly M. Johnson, Secretary
Finance and Administration Cabinet
The Honorable Larry Russell Bryant, Adair County Judge/Executive
The Honorable Joshua Brockman, Former Adair County Sheriff
The Honorable Gary Roy, Adair County Sheriff
Members of the Adair County Fiscal Court

Report on the Audit of the Financial Statement

Opinions

We have audited the accompanying former Adair County Sheriff's Settlement - 2023 Taxes for the period September 1, 2023 through August 31, 2024 - Regulatory Basis, and the related notes to the financial statement, which collectively comprise the former Adair County Sheriff's financial statement as listed in the table of contents.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statement presents fairly, in all material respects, the taxes charged, credited, and paid for the period September 1, 2023 through August 31, 2024 of the former Adair County Sheriff, in accordance with the basis of accounting practices prescribed or permitted by the Commonwealth of Kentucky as described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statement does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the taxes charged, credited, and paid of the former Adair County Sheriff, for the period September 1, 2023 through August 31, 2024.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Audit Program for Sheriffs' Tax Settlements*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the former Adair County Sheriff and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



To the People of Kentucky
The Honorable Andy Beshear, Governor
Holly M. Johnson, Secretary
Finance and Administration Cabinet
The Honorable Larry Russell Bryant, Adair County Judge/Executive
The Honorable Joshua Brockman, Former Adair County Sheriff
The Honorable Gary Roy, Adair County Sheriff
Members of the Adair County Fiscal Court

Basis for Opinions (Continued)

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by the former Adair County Sheriff on the basis of accounting practices prescribed or permitted by the laws of Kentucky to demonstrate compliance with the Commonwealth of Kentucky's regulatory basis of accounting and budget laws, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement in accordance with accounting practices prescribed or permitted by the laws of Kentucky to demonstrate compliance with the Commonwealth of Kentucky's regulatory basis of accounting and budget laws. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the former Adair County Sheriff's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not an absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statement.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the former Adair County Sheriff's internal control. Accordingly, no such opinion is expressed.

To the People of Kentucky

The Honorable Andy Beshear, Governor

Holly M. Johnson, Secretary

Finance and Administration Cabinet

The Honorable Larry Russell Bryant, Adair County Judge/Executive

The Honorable Joshua Brockman, Former Adair County Sheriff

The Honorable Gary Roy, Adair County Sheriff

Members of the Adair County Fiscal Court

Auditor's Responsibilities for the Audit of the Financial Statement (Continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the former Adair County Sheriff's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 3, 2025, on our consideration of the former Adair County Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the former Adair County Sheriff's internal control over financial reporting and compliance.

Based on the results of our audit, we have presented the accompanying Schedule of Findings and Responses, included herein, which discusses the following report findings:

- 2023-001 The Former Adair County Sheriff's Office Did Not Have Adequate Segregation Of Duties Over Receipts, Disbursements, Recordkeeping, And Reconciliations
- 2023-002 The Former Adair County Sheriff Did Not Have Adequate Controls Over Financial Reporting Resulting In A Material Misstatement

Respectfully submitted,



Allison Ball

Auditor of Public Accounts
Frankfort, Ky

November 3, 2025

ADAIR COUNTY
JOSHUA BROCKMAN, FORMER SHERIFF
SHERIFF'S SETTLEMENT - 2023 TAXES

For The Period September 1, 2023 Through August 31, 2024

	County	Special Taxing Districts	School	State
Charges				
Real Estate	\$ 1,031,031	\$ 2,529,459	\$ 3,808,470	\$ 975,744
Tangible	86,269	171,186	258,095	
Fire Protection	2,139			
Total Per Sheriff's Official Receipt	1,119,439	2,700,645	4,066,565	975,744
Other Taxes & Charges				
Court Ordered Increases	44	99	163	34
Franchise Taxes	158,728	329,775	516,742	
Additional Billings	4,975	9,834	14,885	11,940
Oil Property Taxes - 2021	50	114	183	41
Oil Property Taxes - 2022	6,910	15,822	25,544	5,480
Oil Property Taxes - 2023	3,923	8,806	14,490	3,042
Limestone, Sand, and Mineral Reserves - 2022	744	1,703	2,750	590
Limestone, Sand, and Mineral Reserves - 2023	775	1,740	2,863	601
Bank Franchises	101,852			
Penalties	3,254	8,356	11,924	2,603
Gross Chargeable to Sheriff	1,400,694	3,076,894	4,656,109	1,000,075
Credits				
Exonerations	4,038	12,331	14,306	4,600
Discounts	20,867	44,566	67,919	15,781
Delinquent Real Estate	21,033	56,285	77,558	16,283
Delinquent Tangible	3,105	6,781	9,289	7,847
Delinquent Additional Bills	109	215	325	312
Delinquent Oil Property	2,209	4,958	8,159	1,713
Delinquent Oil - 2021	11	25	39	9
Delinquent Oil - 2022	3,987	9,128	14,737	3,162
Total Credits	55,359	134,289	192,332	49,707
Taxes Collected	1,345,335	2,942,605	4,463,777	950,368
Less: Sheriff's Commissions*	57,177	123,663	178,551	40,391
Taxes Due Districts	1,288,158	2,818,942	4,285,226	909,977
Taxes Paid	1,288,064	2,815,973	4,281,168	909,100
Refunds (Current and Prior Year)	1,137	2,574	4,200	892
Taxes Due Districts (Refund Due Sheriff)	\$ (1,043)	\$ 395	\$ (142)	\$ (15)
		**		

* and ** See next page.

ADAIR COUNTY
JOSHUA BROCKMAN, FORMER SHERIFF
SHERIFF'S SETTLEMENT - 2023 TAXES
For The Period September 1, 2023 Through August 31, 2024
(Continued)

* Commissions:

4.25% on	\$	4,679,256
4% on	\$	5,022,829

** Special Taxing Districts:

Library District	\$	(13)
Extension District		(20)
Health District		(7)
Ambulance District		(9)
Hospital District		(24)
Soil Conservation District		(1)
Breeding Fire District		479
Columbia/Adair Fire District		<u>(10)</u>

Due District or (Refunds Due Sheriff)	\$	<u>395</u>
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ADAIR COUNTY
NOTES TO FINANCIAL STATEMENT

August 31, 2024

Note 1. Summary of Significant Accounting Policies

A. Fund Accounting

The sheriff's office tax collection duties are limited to acting as an agent for assessed property owners and taxing districts. A fund is used to account for the collection and distribution of taxes. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

B. Basis of Accounting

The financial statement has been prepared on a regulatory basis of accounting, which demonstrates compliance with the laws of Kentucky and is a special purpose framework. Basis of accounting refers to when charges, credits, and taxes paid are reported in the settlement statement. It relates to the timing of measurements regardless of the measurement focus.

Charges are sources of revenue which are recognized in the tax period in which they become available and measurable. Credits are reductions of revenue which are recognized when there is proper authorization. Taxes paid are uses of revenue which are recognized when distributions are made to the taxing districts and others.

C. Cash and Investments

KRS 66.480 authorizes the sheriff's office to invest in obligations of the United States and of its agencies and instrumentalities, obligations and contracts for future delivery or purchase of obligations backed by the full faith and credit of the United States, obligations of any corporation of the United States government, bonds or certificates of indebtedness of this state, and certificates of deposit issued by or other interest-bearing accounts of any bank or savings and loan institution which are insured by the Federal Deposit Insurance Corporation (FDIC) or which are collateralized, to the extent uninsured, by any obligation permitted by KRS 41.240(4).

D. Preparation of State Settlement

The Kentucky Department of Revenue prepares the settlement relating to taxes collected for the state under the provision of KRS 134.192(2)(a). This is reported as the "State Taxes" column on the financial statement.

Note 2. Deposits

The former Adair County Sheriff maintained deposits of public funds with federally insured banking institutions as required by the Department for Local Government's (DLG) *County Budget Preparation and State Local Finance Officer Policy Manual*. The DLG Manual strongly recommends perfected pledges of securities covering all public funds except direct federal obligations and funds protected by federal insurance. In order to be perfected in the event of failure or insolvency of the depository institution, this pledge or provision of collateral should be evidenced by an agreement between the sheriff and the depository institution, signed by both parties, that is (a) in writing, (b) approved by the board of directors of the depository institution or its loan committee, which approval must be reflected in the minutes of the board or committee, and (c) an official record of the depository institution. These requirements were met.

ADAIR COUNTY
NOTES TO FINANCIAL STATEMENT
August 31, 2024
(Continued)

Note 2. Deposits (Continued)

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a depository institution failure, the sheriff's deposits may not be returned. The former Adair County Sheriff does not have a deposit policy for custodial credit risk, but rather follows the requirements of the DLG *County Budget Preparation and State Local Finance Officer Policy Manual*. As of August 31, 2024, all deposits were covered by FDIC insurance or a properly executed collateral security agreement.

Note 3. Tax Collection Period

A. Property Taxes

The real and personal property tax assessments were levied as of January 1, 2023. Property taxes were billed to finance governmental services for the fiscal year ending June 30, 2024. Liens are effective when the tax bills become delinquent. The collection period for these assessments was September 22, 2023 through April 15, 2024.

B. Oil Property Taxes - 2021

The oil property tax assessments were levied as of January 1, 2023. Property taxes are billed to finance governmental services. Liens are effective when the tax bills become delinquent. The collection period for these assessments was May 20, 2023 through November 15, 2023.

C. Oil Property Taxes - 2022

The oil property tax assessments were levied as of January 1, 2023. Property taxes are billed to finance governmental services. Liens are effective when the tax bills become delinquent. The collection period for these assessments was May 19, 2023 through November 15, 2023.

D. Oil Property Taxes - 2023

The oil property tax assessments were levied as of January 1, 2023. Property taxes are billed to finance governmental services. Liens are effective when the tax bills become delinquent. The collection period for these assessments was January 13, 2024 through July 15, 2024.

E. Limestone, Sand, and Gravel Reserves - 2022

The limestone, sand, and gravel property tax assessments were levied as of January 1, 2023. Property taxes are billed to finance governmental services. Liens are effective when the tax bills become delinquent. The collection period for these assessments was May 23, 2023 through November 15, 2023.

F. Limestone, Sand, and Gravel Reserves - 2023

The limestone, sand, and gravel property tax assessments were levied as of January 1, 2023. Property taxes are billed to finance governmental services. Liens are effective when the tax bills become delinquent. The collection period for these assessments was January 13, 2024 through July 15, 2024.

ADAIR COUNTY
NOTES TO FINANCIAL STATEMENT
August 31, 2024
(Continued)

Note 3. Tax Collection Period (Continued)

G. Franchise Taxes

The franchise tax assessments were levied by the Department of Revenue for various tax years. Franchise taxes are billed to finance governmental services. Liens are effective when the tax bills become delinquent. The collection period for these assessments was May 1, 2023 through August 31, 2024.

Note 4. Interest Income

The former Adair County Sheriff earned \$669 as interest income on 2023 taxes. As of November 3, 2025, the sheriff owed \$295 in interest to the school district and \$374 in interest to his fee account.

Note 5. Sheriff's 10% Add-On Fee

The former Adair County Sheriff collected \$19,255 of 10% add-on fees allowed by KRS 134.119(7). This amount was used to operate the sheriff's office.

Note 6. Subsequent Events

The former Adair County Sheriff retired on September 30, 2024. James Richard was appointed as the Adair County Sheriff on October 1, 2024, and he retired on July 31, 2025. Gary Roy was appointed as the Adair County Sheriff on August 1, 2025.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL
STATEMENT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

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ALLISON BALL
AUDITOR OF PUBLIC ACCOUNTS

**Report On Internal Control Over Financial Reporting And
On Compliance And Other Matters Based On An Audit Of The Financial
Statement Performed In Accordance With *Government Auditing Standards***

Independent Auditor's Report

The Honorable Larry Russell Bryant, Adair County Judge/Executive
The Honorable Joshua Brockman, Former Adair County Sheriff
The Honorable Gary Roy, Adair County Sheriff
Members of the Adair County Fiscal Court

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the former Adair County Sheriff's Settlement - 2023 Taxes for the period September 1, 2023 through August 31, 2024 - Regulatory Basis and the related notes to the financial statement and have issued our report thereon dated November 3, 2025. The former Adair County Sheriff's financial statement is prepared on a regulatory basis of accounting, which demonstrates compliance with the Commonwealth of Kentucky's regulatory basis of accounting and budget laws, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered the former Adair County Sheriff's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the former Adair County Sheriff's internal control. Accordingly, we do not express an opinion on the effectiveness of the former Adair County Sheriff's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Responses, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Responses as items 2023-001 and 2023-002 to be material weaknesses.



Report On Internal Control Over Financial Reporting And On
Compliance And Other Matters Based On An Audit Of The Financial
Statement Performed In Accordance With *Government Auditing Standards*
(Continued)

Report on Compliance And Other Matters

As part of obtaining reasonable assurance about whether the former Adair County Sheriff's financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Views of Responsible Official and Planned Corrective Action

Government Auditing Standards requires the auditor to perform limited procedures on the Adair County Sheriff's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Responses. Adair County Sheriff's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

Allison Ball

Allison Ball
Auditor of Public Accounts
Frankfort, Ky

November 3, 2025

SCHEDULE OF FINDINGS AND RESPONSES

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ADAIR COUNTY
JOSHUA BROCKMAN, FORMER SHERIFF
SCHEDULE OF FINDINGS AND RESPONSES

For The Period September 1, 2023 Through August 31, 2024

INTERNAL CONTROL – MATERIAL WEAKNESSES:

2023-001 The Former Adair County Sheriff's Office Did Not Have Adequate Segregation Of Duties Over Receipts, Disbursements, Recordkeeping, And Reconciliations

This is a repeat finding and was included in the prior year audit report as finding 2022-001. The former Adair County Sheriff's Office did not have adequate segregation of duties over receipts, disbursements, and reconciliations. The bookkeeper collected tax payments from customers, assisted in the preparation of deposits, prepared daily collection printouts, maintained records, and posted to the receipts and disbursements ledgers. In addition, the bookkeeper prepared monthly tax reports, prepared and signed checks, filed documents, and performed monthly bank reconciliations. While the former sheriff signed reports, this lack of segregation of duties caused the following errors and issues:

- One tax bill had been collected but not paid out to the districts.
- One taxing district was overpaid by \$1,000 due to a computation error in subtracting refunds on the monthly report.
- Two monthly tax reports showed that the sheriff's commission was paid to the taxing district instead of the taxes due to the districts.
- One month's school commissions were not paid to the school district as required, but the school district refunded the commissions to the sheriff's office. .
- Some bank statements could not be located and had to be obtained by the bank.

According to the former sheriff, a limited budget places restrictions on the number of employees the sheriff could hire. A lack of segregation of duties increased the risk of misappropriation of assets, errors, and inaccurate financial reporting to external agencies such as the taxing districts.

The segregation of duties over collecting taxes, preparing daily deposits, preparing monthly reports, recordkeeping, and preparing disbursements or the implementation of compensating controls, when needed because the number of staff is limited, is essential for providing protection from asset misappropriation and inaccurate financial reporting. Additionally, proper segregation of duties protects employees in the normal course of performing their daily responsibilities.

KRS 46.010(2) requires, "each county treasurer, and each county officer who receives or disburses state funds, to keep an accurate account of receipts and disbursements, showing a daily balance of receipts and disbursements." KRS 46.010(3) requires, "all county officers handling state funds, other than taxes, to make an annual report to the Department for Local Government showing receipts and disbursements, and to make other financial statements as the Department for Local Government requires." Segregation of duties is a basic internal control necessary to ensure the accuracy and reliability of financial reports.

KRS 134.191(1) states, "[t]he sheriff shall provide monthly reports by the tenth day of each month to the chief executive of the county, the department, and any other district for which the sheriff collects taxes."

KRS 134.191(3) states, "[a]t the time of making the report, the sheriff shall pay to the county treasurer or other officer designated by the governing body of a county, to the department, and to any other district for which the sheriff collects taxes, all funds belonging to the county, the state, or the district that were collected during the period covered by the report."

ADAIR COUNTY
JOSHUA BROCKMAN, FORMER SHERIFF
SCHEDULE OF FINDINGS AND RESPONSES
For The Period September 1, 2023 Through August 31, 2024
(Continued)

INTERNAL CONTROL – MATERIAL WEAKNESSES: (Continued)

2023-001 The Former Adair County Sheriff's Office Did Not Have Adequate Segregation Of Duties Over Receipts, Disbursements, Recordkeeping, And Reconciliations (Continued)

We recommend the sheriff's office separate duties over receipts, disbursements, recordkeeping, and reconciliations. If these duties cannot be separated due to limited staff or limited budget, then strong oversight over those areas should occur and involve the sheriff or an employee not currently performing any of those functions. The individual providing this oversight should initial source documents as evidence of review.

Former Sheriff's Response: Additional office staff would have to be hired to correct this. Due to limited funds to hire additional staff I chose to take write up.

2023-002 The Former Adair County Sheriff Did Not Have Adequate Controls Over Financial Reporting Resulting In A Material Misstatement

The former Adair County Sheriff did not have adequate controls over financial reporting which resulted in failing to settle all tax collections charged to him while in office. The former Adair County Sheriff settled his tax collections through July 2024 and then retired from office on September 30, 2024. However, the former sheriff collected \$385,597 of franchise taxes in August that he failed to include on any tax settlement. There were no internal controls in place to alert the sheriff of this omission.

According to the former sheriff, the franchise collection period was variable, and he did not realize he needed to settle his franchise collections that occurred in August 2024. By not having adequate controls over the financial reporting process and ensuring all accounts are settled, material tax collections collected by the former sheriff before his retirement were omitted from his tax settlement.

KRS 134.192(1) states, “[e]ach sheriff shall annually settle his or her accounts with the department, the county, and any district for which the sheriff collects taxes on or before September 1 of each year. If any sheriff resigns, dies, or otherwise vacates his or her office, the books and records shall be made available to the department, the county, and any other district for which the sheriff collects taxes within thirty (30) days from the date that the office is vacated. The annual settlement of the sheriff shall be audited in accordance with KRS 43.070, 64.810, and 134.193.” The lack of internal controls, including effective compensating controls, over the financial reporting function are basic internal controls necessary to ensure the accuracy and reliability of financial reports.

We recommend the sheriff's office comply with KRS 134.192 and strengthen controls over financial reporting to ensure tax collection settlements reported are complete and accurate.

Former Sheriff's Response: A clerical mistake was made during transition into retirement however we are pleased that all funds and monies are accounted for in our audit.