



**Auditor of
Public Accounts
Allison Ball**

Ballard County Sheriff's Fee Account Audit

FRANKFORT, Ky. – State Auditor Allison Ball released the audit of the 2024 financial statement of Ballard County Sheriff Ronnie Giles. State law requires the auditor to annually audit the accounts of each county sheriff. In compliance with this law, the auditor issues two sheriff's reports each year: one reporting on the audit of the sheriff's tax account, and the other reporting on the audit of the fee account used to operate the office.

Auditing standards require the auditor's letter to communicate whether the financial statement presents fairly the receipts, disbursements, and excess fees of the Ballard County Sheriff in accordance with accounting principles generally accepted in the United States of America. The sheriff's financial statement did not follow this format. However, the sheriff's financial statement is fairly presented in conformity with the regulatory basis of accounting, which is an acceptable reporting methodology. This reporting methodology is followed for all 120 sheriff audits in Kentucky.

Finding: Lacks adequate segregation of duties.

The Ballard County Sheriff's Office lacks adequate segregation of duties over various accounting functions. The sheriff's bookkeeper collects receipts, prepares daily check out sheets, posts to ledgers, performs bank reconciliations, prepares deposits, prepares reports, and prepares and signs checks. Compensating controls were not documented. These incompatible duties create a lack of segregation of duties over receipts, disbursements, and reconciliations. According to the sheriff, the office is a small agency and has limited staff available to properly segregate duties. This deficiency increases the risk of misappropriation of assets, errors, and inaccurate financial reporting.

Recommendations

We recommend the sheriff segregate duties involving the collection and reporting of receipts, the preparation and recording of disbursements, and bank reconciliations. If segregation of duties is not feasible due to a lack of staff, we recommend the sheriff implement and document compensating controls to offset this control deficiency in the form of strong oversight from an employee not performing any of those functions. Compensating controls should be documented by the reviewer's initials and date.

County Officials Response

We have a limited office staff. We will establish more compensating controls.

The sheriff's responsibilities include collecting property taxes, providing law enforcement, and performing services for the county fiscal court and courts of justice. The sheriff's office is funded through statutory commissions and fees collected in conjunction with these duties.

The audit report can be found on the [auditor's website](#).

