Auditor of Public Accounts
Allison Ball

Bullitt County Fiscal Court

Audit

FRANKFORT, Ky. – State Auditor Allison Ball has released the audit of the financial statements of the Bullitt County Fiscal Court for the fiscal year ended June 30, 2025. State law requires annual audits of county fiscal courts.

Auditing standards require the auditor's letter to communicate whether the financial statements present fairly the receipts, disbursements, and changes in fund balances of the Bullitt County Fiscal Court in accordance with accounting principles generally accepted in the United States of America. The fiscal court's financial statement did not follow this format. However, the fiscal court'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 116 of 120 fiscal court audits in Kentucky.

Finding: The Bullitt County Fiscal Court Did Not Properly Utilize The Purchase Order System As Required

This is a repeat finding and was included in the prior year audit report as finding 2024-003. During testing, auditors noted that purchase orders were not issued for all disbursements. Purchase orders should be issued prior to expenditures to ensure encumbrances are reported properly at year end.

Recommendations

We recommend the fiscal court establish a well planned and executed purchase order system and monitor its budget to ensure the expenditure does not exceed budgeted appropriations. Claim checks should not be signed unless the following conditions exist: Claim reviewed by fiscal court; Sufficient fund balance and adequate cash in the bank to cover the expense; and Adequate unencumbered balance in the proper budgeted appropriation account to cover the expense.

County Officials Response

County Judge/Executive's Response:

• ***System Implementation and Modernization:*** *In 2022, the Bullitt County Fiscal Court migrated to [software name redacted], a Kentucky-based financial management software specifically tailored to state local government compliance. This system was explicitly chosen to streamline procurement workflows, enforce internal controls, and automate the tracking and authorization of purchase orders.*

• ***Personnel Training and Process Reinforcement:*** *Following the system's deployment, management initiated comprehensive training protocols for all relevant personnel. Training focused heavily on the mandatory procedures for requesting, approving, and obtaining authorized purchase orders prior to initiating county expenditures.*

• ***Current Status and Compliance:*** *With the full integration of [software name redacted] and ongoing staff training, the internal procurement process has been successfully reinforced. The Fiscal Court is committed to maintaining full compliance with established purchase order policies moving forward.*

Finding: The Bullitt County Fiscal Court Did Not Reconcile The Payroll Revolving Account Properly

This is a repeat finding and was included in the prior year audit report as finding 2024-004. The fiscal court failed to implement adequate internal controls over reconciliation of the payroll account. The treasurer's reconciled payroll revolving account balance on June 30, 2025, was $55,796.

Recommendations

We recommend the Bullitt County Fiscal Court reconcile the payroll revolving account to zero, or other set amount, each month. If the payroll revolving account has excess funds, the excess amount should be transferred to the respective funds from which the funds were originally transferred.

County Officials Response

County Judge/Executive's Response: Proper balancing has been implemented. As there are times that the Payroll Account will have a balance due to a city tax that's reported quarterly or even state taxes that are reported semi-monthly. However, will document balance in the account at the end of the month going forward.

The audit report can be found on the auditor's website

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