



**Auditor of
Public Accounts
Allison Ball**

Daviess County Sheriff's Office Audit

FRANKFORT, Ky. – State Auditor Allison Ball today released the audit of the 2024 financial statement of Daviess County Sheriff Bradley Youngman. 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 statements present fairly the receipts and disbursements of the Daviess County Sheriff and the receipts, disbursements, and fund balances of the Daviess County Sheriff's operating fund and county fund in accordance with accounting principles generally accepted in the United States of America. The sheriff's financial statements did not follow this format. However, the sheriff's financial statements are 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: Did not have adequate internal controls over procurement of vehicles.

The Daviess County Sheriff lacks adequate internal controls over the procurement of vehicles. Rather than procuring vehicles by soliciting bids per KRS 424.260, the sheriff opted to procure six vehicles totaling \$238,848 using the state pricing contract during calendar year 2024. However, the sheriff failed to obtain quotes from a minimum of three dealers who have Master Agreements with the Finance and Administration Cabinet.

Recommendations

We recommend the sheriff implement internal controls for vehicle purchases and comply with Daviess County's Administrative Code by advertising for bids when the purchase price of a vehicle exceeds \$20,000. If the sheriff chooses to opt out of the bidding process by purchasing vehicles at the state contract price, we recommend the sheriff comply with the Finance and Administration Cabinet's policies by obtaining quotes with a minimum of three dealers who have Master Agreements with the Finance and Administration Cabinet.

County Officials Response

Sheriff's Response: We are aware of this issue, as it came up during our 2023 Audit as well. When we were notified of the law change during the 2023 audit in mid-2024, we had already made purchases for that fiscal year. We have since implemented steps to comply with the change, including utilizing Daviess County Fiscal Court's assistance in obtaining bids since they are well-versed in doing so. We ordered vehicles in early 2025 in accordance with the new regulation and foresee no future issues.

Finding: 75% fund financial statement was materially mismanaged.

The Daviess County Sheriff's 75% fund financial statement for calendar year 2024 was materially inaccurate. The revenue and disbursements were understated by \$743,615 and \$8,148; respectively. The finance director failed to include \$826,110 for December 2024 receipts and he incorrectly added November 2024 receipts of \$90,642, which was already included in the year-to-date revenue total. Additionally, he omitted \$8,148 of reimbursed expenses.

Recommendations

We recommend the Daviess County Sheriff strengthen internal controls to ensure the 75% fund financial statement is accurate and complete.

County Officials Response

Sheriff's Response: The Finance Director simply made a mistake in the reporting document, as he was unfamiliar with that document since he was inherited it by the previous CFO. The prior CFO started the year maintaining these reports and records, but the current Finance Director ended the year and he is still grasping how certain things are to be reported. We agree with the Auditor's findings that items were incorrectly documented and that no funds were actually unaccounted for. We view this as a transitional year for personnel and may seek guidance from the Auditor of Public Accounts on how they would like such data reported in the future.

Finding: Lacks adequate segregation of duties.

The Daviess County Sheriff's Office lacks adequate segregation of duties over accounting and reporting functions of the sheriff's office. The sheriff's finance director reconciles checking accounts, occasionally collects money, makes deposits, and prepares monthly and quarterly reports and the 75% fund financial statement. The sheriff implemented compensating controls to help alleviate the risks associated with the lack of segregation of duties, however, these controls were deemed to be ineffective.

Recommendations

We recommend the Daviess County Sheriff's Office segregate duties over the accounting and reporting functions. If segregation of duties is not feasible due to a lack of staff, we recommend the sheriff implement and document effective compensating controls to offset this control deficiency in the form of strong oversight from an employee not performing any of those functions.

County Officials Response

Sheriff's Response: Sheriff Youngman & the Finance Director have implemented an immense number of changes to the way DCSO operates since 2023. One of those areas is proper staffing in the DCSO business office. More personnel have been slowly added to help alleviate this issue and more efficient solutions are always being pursued; but ultimately the cited duties are, we feel, exclusive to the role of finance director as administrator of department funds.

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](#).

