



**Auditor of
Public Accounts
Allison Ball**

Hardin County Sheriff's Tax Settlement Audit

FRANKFORT, Ky. – State Auditor Allison Ball today released the audit of the sheriff's settlement 2023 taxes for Hardin County Sheriff John Ward. 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 sheriff's settlement presents fairly the taxes charged, credited, and paid in accordance with accounting principles generally accepted in the United States of America. The sheriff's settlement is prepared on the regulatory basis, which is described in the auditor's opinion letter. Regulatory basis reporting for the sheriff's settlement is an acceptable reporting methodology, and this reporting methodology is followed for all 120 sheriff settlements in Kentucky.

The sheriff's financial statement fairly presents the taxes charged, credited, and paid for the period September 1, 2023 through August 31, 2024 in conformity with the regulatory basis of accounting.

Finding: Has a lack of adequate segregation of duties over monthly reports.

The Hardin County Sheriff's Office lacks adequate segregation of duties over monthly reports. However, to offset this lack of segregation of duties, the sheriff has implemented the following compensating controls: reviewing and initialing the monthly reports, reviewing and signing disbursement checks, and comparing the monthly reports to ledgers. Auditor deemed the controls to not be effective with several issues occurring during the audit. One issue that occurred was a refund being added to the monthly report that was not an actual refund and incorrect amounts being paid to districts due to discounts being calculated incorrectly by the computer tax software.

Recommendations

We recommend the sheriff segregate controls over monthly reports or improve and update the compensating controls that have been implemented and continue to document those controls.

County Officials Response

Sheriff's Response: HCSO has [name redacted] software, and an error was made by programmers.

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](#).

