



**Auditor of
Public Accounts
Allison Ball**

Henderson County Fiscal Court

Audit

FRANKFORT, Ky. – State Auditor Allison Ball has released the audit of the financial statements of the Henderson 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 Henderson 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: Lacks internal controls over disbursements and bidding processes.

The Henderson County Fiscal Court does not have adequate internal controls over disbursements. Auditors noted the following control deficiencies:

- Four disbursements totaling \$1,216,961 had purchase orders issued after the expenses had already been incurred.
- One disbursement totaling \$10,515 was not paid within 30 working days of receipt.
- Fuel for the sheriff’s office in the amount of \$88,166 was not properly advertised for bid.
- Rather than procuring a truck in the amount of \$56,365 by soliciting bids per KRS 424.260, the county opted to procure the vehicle using a state price contract. However, the county failed to obtain quotes from a minimum of three dealers who have master agreements with the Finance and Administration Cabinet.

Recommendations

We recommend that the Henderson County Fiscal Court strengthen internal controls over disbursements and bidding processes to ensure purchase orders are issued prior to all purchases being made, invoices are paid within thirty working days of receipt, and proper procurement procedures are established to ensure compliance with state and county policy. Additionally, if the county chooses to opt out of the bidding process by purchasing vehicles using a state price contract, we recommend that the county comply with the Finance and Administration Cabinet’s policies by obtaining quotes from a minimum of three dealers who have master agreements with the Finance and Administration Cabinet.

County Officials Response

County Judge/Executive’s Response: Purchase orders issued after incurring the expenses: Staff continues to work with educating departments to prepare/issue PO’s prior to purchases and disbursements.

Sheriff Department fuel expenditures: This was an oversight on the part of the Sheriff’s Department leadership, which has undergone retraining on proper procurement protocols. The fuel contract was put out for bid this fiscal year and will either continue to be in the future or the Sheriff will utilize the fuel-purchase options approved by DLG.

Road Department vehicle purchase: Our County Engineer purchased a vehicle from a state contract vendor but forgot three quotes are also now required. We will be certain state contract purchases includes the required number of quotes.

City landfill payment of \$10,515: That payment was not made within 30 days of our receipt of the invoice due to a timing issue. We will do everything possible to pay invoices within 30 days.

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

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