



**Auditor of  
Public Accounts  
Allison Ball**

# Leslie County Sheriff's Tax Settlement Audit

**FRANKFORT, Ky.** – State Auditor Allison Ball today released the audit of the sheriff's settlement – 2023 taxes for Leslie County Sheriff Billy Collett. 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: The sheriff's office does not have adequate segregation of duties**

The sheriff's bookkeeper collects payments from customers, prepares receipts, prepares deposits, and reconciles the bank statements. The bookkeeper also prepares disbursement checks and monthly tax reports. According to the sheriff's office, this condition is a result of a limited budget, which restricts the number of employees the sheriff can hire or delegate duties to.

## **Recommendations**

We recommend the sheriff ensure that accounting duties are properly segregated in the future. If this is not feasible, the sheriff should implement adequate compensating controls that would limit the severity of this deficiency in internal controls. Additionally, evidence of the compensating controls implemented should be maintained.

## **County Officials Response**

*Sheriff's Response: The sheriff did not provide a response.*

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](https://www.auditor.ky.gov).

