



**Auditor of  
Public Accounts  
Allison Ball**

## Livingston County Sheriff's Fee Account Audit

**FRANKFORT, Ky.** – State Auditor Allison Ball released the audit of the 2024 financial statement of Livingston County Sheriff Bobby Davidson. 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 statement presents fairly the receipts, disbursements, and excess fees of the Livingston County Sheriff in accordance with accounting principles generally accepted in the United States of America. The sheriff's financial statement did not follow this format. However, the sheriff'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 all 120 sheriff audits in Kentucky.

### **Finding: Does not have adequate segregation of duties.**

The Livingston County Sheriff's Office does not have adequate segregation of duties over receipts and disbursements. The bookkeeper can collect cash, prepare the daily checkout sheet, prepare deposits, take deposits to the bank, post transactions to the ledgers, prepare and sign checks, reconcile the bank statements, and prepare monthly reports. According to the sheriff, due to a limited staff size, the bookkeeper is required to perform most of the bookkeeping functions. This condition is the result of a limited budget, which restricts the number of employees the sheriff can hire or delegate duties to. A lack of segregation of duties or strong oversight increases the risk of undetected errors and fraud.

### **Recommendations**

We recommend the sheriff segregate the duties noted above by allowing different deputies to perform them. For those duties that cannot be segregated due to a limited staff size, strong management oversight by the sheriff or designee could be a cost-effective alternative. This oversight should include reviewing daily checkout sheets, daily deposits, and monthly bank reconciliations. Documentation, such as the sheriff's or designee's initials or signature, should be provided on those items that were reviewed.

### **County Officials Response**

*Sheriff's Response: We do not generate enough revenue to employ enough people to have adequate segregation of duties.*

### **Finding: Overspent The approved budget and the annual salary order for deputies and assistants.**

For calendar year 2024, the Livingston County Fiscal Court approved the sheriff's operating budget in total for \$413,088. However, the sheriff spent \$448,839. Therefore, the sheriff overspent the approved budget by \$35,751.

## Recommendations

We recommend the Livingston County Sheriff diligently monitor the operating budget and maximum salary order limit set by fiscal court to ensure that operating disbursements and salaries do not exceed approved amounts. We further recommend that, when necessary, the sheriff request budget amendments that are sufficient to cover all operating disbursements and salaries. Also, all budget amendments should be approved by fiscal court before December 31.

## County Officials Response

*Sheriff's Response: We will watch more closely when we amend the budget. In amending the budget, we failed to include KLEFPF, and it made it look as if we overspent the budget.*

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](#).

