



Auditor of Public Accounts
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Ball Releases Audit of Robertson County Sheriff's Tax Settlement

FRANKFORT, Ky. – State Auditor Allison Ball released the audit of the sheriff's settlement – 2022 taxes for Robertson County Sheriff Terry Gray. 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 a 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, 2022, through August 31, 2023, in conformity with the regulatory basis of accounting.

As part of the audit process, the auditor must comment on noncompliance with laws, regulations, contracts, and grants. The auditor must also comment on material weaknesses involving the internal controls over financial operations and reporting.

The audit contains the following finding:

The Robertson County Sheriff's Office does not have adequate segregation of duties: The employee responsible for handling tax receipts also records the receipts in the ledger, prepares bank deposits, and performs monthly bank reconciliations. Furthermore, this same employee prepares the disbursement checks and is responsible for preparing monthly reports that document the amounts to be paid to each taxing district. 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.

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.

Sheriff's Response: The official 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](#).

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