



Auditor of Public Accounts  
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**FOR IMMEDIATE RELEASE**

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**Harmon Releases Audit of Breckinridge County Sheriff's Fee Account**

**FRANKFORT, Ky.** – State Auditor Mike Harmon today released the audit of the 2021 financial statement of Breckinridge County Sheriff Billy Richardson. 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 Breckinridge 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.

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 control over financial operations and reporting.

The audit contains the following comment:

**The Breckinridge County Sheriff did not properly procure vehicles:** The Breckinridge County Sheriff purchased two sports utility vehicles during calendar year 2021 from a local dealership in the amount of \$69,088. This dealership had not been awarded the contract with the state, but rather was matching the price of the awarded vendor. According to the sheriff he was led to believe these vehicles could be purchased from the local dealership at the state contract price. The sheriff states that the local dealership cited KRS 45A.420 as support for local agencies purchasing without bidding goods, services, and vehicles subject to state contract bidding, provided they are sold no more than contract price. The sheriff was not aware that this was not an allowable practice.

Since the sheriff did not properly procure the purchase of these vehicles it is possible that the sheriff did not receive the lowest price for these vehicles. In addition, the sheriff is not in compliance with KRS 424.260 or the Breckinridge County Fiscal Court Administrative Code.

KRS 424.260 (1) states, “[e]xcept where a statute specifically fixes a larger sum as the minimum for a requirement of advertisement for bids, no city, county, or district, or board or commission of a city or county, or sheriff or county clerk, may make a contract, lease, or other agreement for: (a) Materials; (b) Supplies except perishable foods such as meat, poultry, fish, egg products, fresh vegetables, and fresh fruits; (c) Equipment; or (d) Contractual services other than professional; involving an expenditure of more than thirty thousand dollars (\$30,000) without first making newspaper advertisement for bids.”

Also, according to the Breckinridge County Fiscal Court Administrative Code, Section 7.1 (C.) “[a]ny expenditure or contract for materials, supplies (except perishable meat, fish, and vegetables), equipment, or for contractually services other than professional, involving an expenditure or more than Thirty Thousand Dollars (\$30,000) shall be subject to competitive bidding.”

Furthermore, strong internal controls dictate management to monitor procurement to ensure compliance with bid laws.

We recommend the Breckinridge County Sheriff implement controls to ensure compliance with KRS 424.260 and the county’s administrative code.

*County Sheriff’s Response: Under KRS 45A.343, we bought the vehicle under the cost of the state vendor. We have since corrected this issue and will follow proper procurement. To my knowledge, the KRS allowed us to do so.*

Auditor’s Reply: Neither the Breckinridge County Fiscal Court nor the sheriff have adopted the model procurement code in accordance with KRS 45A; therefore, they are required to follow the bidding requirements per KRS 424.260.

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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