



Auditor of Public Accounts Allison Ball

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Ball Releases Audit of Greenup County Sheriff's Fee Account

FRANKFORT, Ky. – State Auditor Allison Ball released the audit of the 2023 financial statement of Greenup County Sheriff Matt Smith. 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 Greenup 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.

The audit contains the following finding:

The sheriff's office does not have adequate segregation of duties: The sheriff's bookkeeper prepares deposits, writes checks, posts transactions to the receipts and disbursement ledgers, and prepares monthly and quarterly reports. Another employee did sign off on the bank reconciliations. The sheriff indicated this is caused by a limited budget, which restricts the number of employees the sheriff can hire or delegate duties to. A lack of oversight could result in the misappropriation of assets and inaccurate financial reporting to external agencies such as the Department for Local Government and the fiscal court. Errors could occur and not be detected.

We recommend the sheriff's office segregate the duties involved in preparing deposits, writing checks, posting to ledgers, preparing monthly bank reconciliations, and comparing financial reports to ledgers. If this is not feasible, due to a limited budget, cross checking procedures could be implemented and documented by the individual performing the procedures.

Sheriff's Response: In a office with limited staff it is hard to segregate duties with limited space and a limited staff.

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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