



Auditor of Public Accounts
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FOR IMMEDIATE RELEASE

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Harmon Releases Audit of Interim Marshall County Sheriff's Fee Account

FRANKFORT, Ky. – State Auditor Mike Harmon today released the audit of the October 1 – December 31, 2022 financial statement of interim Marshall County Sheriff Trent Weaver. 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 interim Marshall County Sheriff in accordance with accounting principles generally accepted in the United States of America. The interim sheriff's financial statement did not follow this format. However, the interim 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 finding:

The Marshall County Sheriff's Office did not have adequate segregation of duties: The Marshall County Sheriff's office did not have adequate segregation of duties. The same employee was responsible for collecting money, posting receipts to the ledgers, performing monthly bank reconciliations, and preparing financial reports. Any compensating controls performed were not documented. A lack of segregation of duties increases the risk of errors occurring and not being detected or corrected in a timely manner which could lead to inaccurate financial reporting to external agencies such as the Department for Local Government (DLG).

Segregation of duties or the implementation of compensating controls, when limited by the number of staff, is essential for providing protection against the misappropriation of assets and inaccurate financial reporting. Additionally, proper segregation of duties protects employees in the normal course of performing their daily responsibilities. A good internal controls system consists of requiring certain accounting functions be performed by different employees to provide reasonable assurance the financial activity is properly accounted for and accurately reported.

Due to a limited staff, the sheriff's bookkeeper was required to perform multiple tasks. In order to achieve a proper segregation of duties, we recommend the sheriff's office assign some of the duties to other employees.

We recommend the sheriff's office implement compensating controls to minimize the risk associated with a lack of segregation of duties. Compensating controls performed should be documented by the reviewer's initials and date.

Interim 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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