



Auditor of Public Accounts  
Mike Harmon

**FOR IMMEDIATE RELEASE**

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

**FRANKFORT, Ky.** – State Auditor Mike Harmon today released the audit of the 2021 financial statement of Oldham County Sheriff Steve Sparrow. 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 Oldham 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 Oldham County Sheriff failed to properly account for receipts and disbursements on the quarterly reports for calendar year 2021:** The Oldham County Sheriff failed to properly account for receipts and disbursements on the quarterly reports for calendar year 2021. December 2020 receipts and disbursements were included in the first quarter and December 2021 receipts and disbursements were not included in the fourth quarter as they should. The official thought they were doing the right thing after a conversation with Department for Local Government (DLG).

Due to the reporting error, the quarterly report does not accurately reflect receipts and disbursements for calendar year 2021. The adjustments that were purposed by the auditor and accepted by sheriff resulted in material audit adjustments. For receipts and disbursements, audit adjustments were made totaling \$84,743 (removing December 2020 amounts) and \$119,369 (adding December 2021 amounts). Since the sheriff is a fee pooling office, the same adjustments were made on both receipts and disbursements.

Good accounting practices indicate that all receipts and disbursements should be accounted for in the accurate period of collection and disbursement. KRS 134.192(11) states, in part, “(a) A complete statement of all funds received by his or her office for official services, showing separately the total income received by his or her office for services rendered, exclusive of his or her commissions for collecting taxes, and the total funds received as commissions for collecting state, county, and school taxes; and (b) A complete statement of all expenditures of his or her office[.]”

We recommend the quarterly report reflect collections and disbursements for when they were collected and disbursed to accurately report for each calendar year.

*County Sheriff's Response: Our office will return to recording receipts and disbursements on our quarterly report as we have in the previous years to reflect the calendar year. I believe there was a communication misunderstanding between our office and Department for Local Government.*

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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