



Auditor of Public Accounts Allison Ball

FOR IMMEDIATE RELEASE

Contact: Joy Pidgorodetska Markland
Joy.Markland@ky.gov
502.352.5216
502.209.2867

Ball Releases Audit of Former Owsley County Sheriff's Fee Account

FRANKFORT, Ky. – State Auditor Allison Ball released the audit of the 2022 financial statement of the former Owsley County Sheriff Brent Lynch. State law requires the auditor to conduct annual audits of each county sheriff, one for the sheriff's tax account and one for the sheriff's fee account.

The former Owsley County Sheriff's financial statement does not present fairly in accordance with the accounting principles generally accepted in the United States. The financial statement presents fairly in accordance with the regulatory basis of accounting generally accepting in Kentucky.

The audit contains the following findings:

The former Owsley County Sheriff failed to complete quarterly financial reports or submit an annual settlement to the Owsley County Fiscal Court for 2022: The former county sheriff's office failed to complete quarterly financial reports for the third and fourth quarters of calendar year 2022 and did not submit an annual settlement to the fiscal court for his 2022 fee collections. In addition, the former sheriff has not settled his fee account upon vacating the sheriff's office on December 31, 2022, as required by statute. The balance in the 2022 fee account is \$6,205.

We recommend the county sheriff's office comply with the requirements by preparing and submitting all quarterly financial reports timely. We also recommend the sheriff's office submit an annual settlement to the fiscal court as required by statute. At the time of the settlement, the sheriff should pay to the fiscal court all excess fees. The former sheriff should remit \$6,205 in excess fees for calendar year 2022.

Former Sheriff's Response: The former official did not provide a response.

The former Owsley County Sheriff's Office did not have adequate segregation of duties: The former sheriff's office bookkeeper performs several tasks that should be separated in order to mitigate errors or fraud. Incompatible duties include approval, custody of assets (i.e., cash), record keeping, and account/report reconciliations. The compensating controls, dual signatures required on checks and review of bank reconciliations, implemented by the former sheriff were determined to be ineffective.

We recommend the county sheriff's office separate duties over receipts, disbursements, and reconciliations. If these duties cannot be separated, detailed supervisory review of these activities should be implemented to reduce risk.

Former Sheriff's Response: The former official did not provide a response.

The former Owsley County Sheriff failed to turn over cell phones purchased with funds from the 2022 fee account: Auditor noted one liability of the former sheriff's office for cell phones included buying out four cell phones on the former sheriff's contract. Through inquiry with the new sheriff, these phones were never turned over by the former sheriff.

We recommend the former sheriff turn over the cell phones purchased with the 2022 fee account funds.

Former Sheriff's Response: The former 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](#).

###

The Auditor of Public Accounts ensures that public resources are protected, accurately valued, properly accounted for, and effectively employed to raise the quality of life of Kentuckians.

Call 1-800-KY-ALERT or visit our website to report suspected waste and abuse.

