



Auditor of Public Accounts  
Mike Harmon

**FOR IMMEDIATE RELEASE**

Contact: **Michael Goins**  
[Michael.Goins@ky.gov](mailto:Michael.Goins@ky.gov)  
**502.564.5841**  
**502.209.2867**

**Harmon Releases Audit of Montgomery County Sheriff's Office**

**FRANKFORT, Ky.** – State Auditor Mike Harmon today released the audit of the 2016 financial statement of Montgomery County Sheriff Fred Shortridge. 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 Montgomery 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 internal control over financial operations and reporting.

The audit contains the following comment:

**The Montgomery County Sheriff expended \$198 for disallowed disbursements:** The sheriff expended \$198 from the fee account for unallowable disbursements. The sheriff paid \$187 in late fees and interest charges on credit cards. The sheriff also paid \$11 for a purchase that did not have adequate supporting documentation.

The sheriff failed to pay the credit card balance timely, and finance charges were accrued. The sheriff also paid a credit card charge that was not supported with a receipt or invoice. Expending funds on unallowable items results in fewer funds to spend on necessary expenses. Also, not

obtaining adequate supporting documentation could lead to erroneous charges or inappropriate expenditures.

In Funk vs. Milliken, 317 S.W.2d 499 (Ky. 1958), Kentucky's highest court reaffirmed the rule that county fee officials' expenditures of public funds will be allowable only if they are necessary, adequately documented, reasonable in amount, beneficial to the public, and not primarily personal in nature.

We recommend the sheriff reimburse the 2016 fee account \$198 from his personal funds for these disallowed disbursements. Furthermore, we recommend the sheriff only expend funds for allowable purposes in the future.

*Sheriff's Response: Said expenditures were for interest and late fees on the office credit card and for one lost receipt for \$11.00. Will pay better attention to due dates, and will keep better track of receipts. Said disallowed expenditures were reimbursed to the 2016 Fee Account by myself, Sheriff Fred Shortridge.*

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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