



Pickens County Commission

Pickens County, Alabama

October 1, 2021 through September 30, 2023

Filed: September 19, 2025

ALABAMA DEPARTMENT OF
EXAMINERS of Public Accounts

Rachel Laurie Riddle, *Chief Examiner* | 334-777-0500 | www.alexaminers.gov



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Honorable Rachel Laurie Riddle
Chief Examiner of Public Accounts
Montgomery, Alabama 36130

Dear Madam:

An examination was conducted on the Pickens County Commission, Pickens County, Alabama, for the period October 1, 2021 through September 30, 2023. Under the authority of the *Code of Alabama 1975*, Section 41-5A-19, I hereby swear to and submit this report to you on the results of the examination.

Respectfully submitted,

Amanda B. Hynds
Examiner of Public Accounts

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Department of
Examiners of Public Accounts

SUMMARY

**Pickens County Commission
October 1, 2021 through September 30, 2023**

The Pickens County Commission (the “Commission”) is governed by a five-member body elected by the citizens of Pickens County. The members and administrative personnel in charge of governance of the Commission are listed on Exhibit 1. The Commission is the governmental agency that provides general administration, public safety, construction and maintenance of county roads and bridges, sanitation services, health and welfare services and educational services to the citizens of Pickens County.

The objectives of a traditional audit are to determine whether the financial statements present fairly the financial position and results of financial operations. It is a standard business and best practice for governments to reconcile, adjust and close financial accounts at the end of each accounting cycle and to prepare financial statements. Financial statements are used to communicate to management, citizens, investors, creditors and other stakeholders the resources received by the County, how those resources were used and what resources remain at the end of each reporting period. Financial statements are the core of financial reporting and are the principal means of communicating financial information to external users.

Several attempts were made to obtain year-end financial statements in order to perform a financial statement audit of the Commission’s activities and the results of its operations. However, the Commission had not prepared financial statements for fiscal years 2022 and 2023, as indicated in Finding 2023-001. On April 30, 2025, the Chief Examiner informed the Commission that the Department has a duty to audit and examine the Commission’s books and records; therefore, a legal compliance examination would have to be performed in lieu of traditional financial statement audits for the fiscal years ended September 30, 2022 and September 30, 2023.

The Commission’s failure to have traditional financial statement audits for the above referenced fiscal years may impact the Commission’s credit rating and/or ability to borrow money in the future. Additionally, if the Commission expended \$750,000 or more in federal awards during any fiscal year, its failure to have the federal awards audited as required by Title 2 U. S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* may result in the loss of future federal funding.

This report presents the results of an examination of the Commission and a review of the Commission's compliance with applicable laws and regulations of the State of Alabama in accordance with the requirements of the Department of Examiners of Public Accounts under the authority of the *Code of Alabama 1975*, Section 41-5A-12.

FINDING

The following instance of noncompliance with state and local laws and regulations and other matters was found during the examination, as shown on the Schedule of State and Local Compliance and Other Findings, and it is summarized below.

- ◆ 2023-001: The Commission did not produce financial statements, including a Schedule of Expenditures of Federal Awards, for the fiscal years ended September 30, 2022 and September 30, 2023. This finding was previously reported as Finding 2021-001.

EXIT CONFERENCE

Commission members and administrative personnel, as reflected on Exhibit 1, were invited to discuss the results of this report at an exit conference. Individuals in attendance were County Administrator Cheryl Bowles and Commissioner Nancy Ray. Representing the Department of Examiners of Public Accounts were Stephanie Jenkins, Audit Manager, and Brooke Hynds, Examiner.

*Schedule of State and Local
Compliance and Other Findings*

Schedule of State and Local Compliance and Other Findings
October 1, 2021 through September 30, 2023

Ref. No.	Finding/Noncompliance
2023-001	<p><u>Finding:</u></p> <p>The Governmental Accounting Standards Board's (GASB) <i>Codification of Governmental and Financial and Reporting Standards</i>, Section 1100.101, provides that a governmental accounting system must make it possible both: (a) to present fairly and with full disclosure the funds and activities of the governmental unit in conformity with generally accepted accounting principles, and (b) to determine and demonstrate compliance with finance related legal and contractual provisions. Pursuant to the <i>Code of Alabama 1975</i>, Section 41-5A-21, the Chief Examiner of Public Accounts has prescribed the Alabama County Commission Finance Manual as the required accounting system for all County Commissions and as such, each county commission must have the ability to produce a complete set of financial statements in a timely manner. Additionally, any entity that expends more in federal awards than the thresholds established under the audit requirements of Title 2 U. S. <i>Code of Federal Regulations</i> Part 200, <i>Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)</i> during any fiscal year is required to report the federal expenditures on the Schedule of Expenditures of Federal Awards and to have a single audit conducted for that year. The Commission did not produce financial statements, including the Schedule of Expenditures of Federal Awards, for the 2022 and 2023 fiscal years covered by this examination period. As a result, a financial audit could not be conducted, and a determination could not be made as to whether a federal single audit was necessary.</p> <p>This finding was first reported as Finding 2021-001.</p> <p><u>Recommendation:</u></p> <p>The Commission should prepare financial statements in a timely manner at the end of each fiscal year. In addition, the Commission should determine whether a Single Audit is required and, if so, prepare a Schedule of Expenditures of Federal Awards.</p>

Additional Information

Commission Members and Administrative Personnel
October 1, 2021 through September 30, 2023

<u>Commission Members</u>		<u>Term Expires</u>
Hon. Jody McGee	Chairman	2026
Hon. Drew Elmore	Commissioner	2026
Hon. Bobby Bain	Commissioner	2022
Hon. Nancy Ray	Commissioner	2026
Hon. Bobby Ingram	Commissioner	2022
Hon. Jill Noland	Commissioner	2026
Hon. Mark Gray	Commissioner	2022
Hon. Jerry Fitch	Commissioner	Deceased
<u>Administrative Personnel</u>		
Cheryl Bowles	County Administrator	Indefinite