



Auditor of Public Accounts
Mike Harmon

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Harmon Releases Agreed-Upon Procedures Engagement of Bourbon County Clerk's Fee Account

FRANKFORT, Ky. – State Auditor Mike Harmon today released the 2019 agreed-upon procedures engagement of Bourbon County Clerk Richard Stipp Eads. State law requires the auditor to conduct annual audits of county clerks and sheriffs.

In 2018 the Kentucky General Assembly, following a recommendation by the State Auditor, passed legislation that allows county sheriffs and clerks that met certain criteria to apply for an Agreed-Upon Procedures (AUP) engagement in lieu of an audit of their fee account. The intent of the change, which became effective in July 2018, was to reduce audit costs for sheriffs and clerks that have a history of clean audits, while still maintaining an appropriate level of accountability.

The Bourbon County Clerk applied for and received approval from the Auditor of Public Accounts (APA) to obtain an AUP engagement for calendar year 2019 in accordance with KRS 43.070(1)(c). AUP reports present the procedures performed and the results of those procedures, called findings. Auditors performed the procedures, which were agreed to by the Bourbon County Clerk, on receipts and disbursements, excess fees, recordkeeping, and leases, contracts, and liabilities for the period January 1, 2019 through December 31, 2019.

The following exceptions were identified during the AUP engagement:

- **The county clerk's operating disbursements were compared to the county clerk's approved budget and the county clerk exceeded the budget for operating disbursements by \$7,804.**

County Clerk's Response: No available balances to take money from. We have no idea how much will be refunded.

- **The county clerk did not perform monthly bank reconciliations on all accounts. The December 31, 2019 bank reconciliations were not reconciled to the bank accurately.**

County Clerk's Response: There are no monthly bank statements to reconcile. Balances are same most of the year. Balances were checked when expenditures happened. All balances were reviewed each month for correctness. No disbursement, no need to balance, all is correct.

- **Excess fees due to fiscal court were recalculated. There are \$265 excess fees due to the fiscal court.**

County Clerk's Response: All interest after February and all monies in 2019 fee account will be dispersed after audit.

The county clerk's responsibilities include collecting certain taxes, issuing licenses, maintaining county records and providing other services. The clerk's office is funded through statutory fees collected in conjunction with these duties.

The agreed-upon procedures report can be found on the [auditor's website](#).

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