



Auditor of Public Accounts
Mike Harmon

FOR IMMEDIATE RELEASE

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

FRANKFORT, Ky. – State Auditor Mike Harmon today released the 2020 agreed-upon procedures engagement of Garrard County Clerk Kevin Montgomery. 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 Garrard County Clerk applied for and received approval from the Auditor of Public Accounts (APA) to obtain an AUP engagement for calendar year 2020 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 Garrard County Clerk, on receipts and disbursements, excess fees, recordkeeping, and leases, contracts, and liabilities for the period January 1, 2020 through December 31, 2020.

The following exceptions were identified during the AUP engagement:

- **The county clerk did not have a settlement of excess fees approved by the fiscal court.**

County Clerk's Response: In nine years as Clerk I have never been written up for this. I always attend the Fiscal Ct Meeting in March & present excess fee check to Fiscal Ct. It is noted in Fiscal Ct minutes that County Clerk presented Excess Fee check.

Auditor's Reply: As discussed with the county clerk, a statement showing the receipts, disbursements and excess fees for the calendar year, is required to be presented along with the check for excess fees.

- **The county clerk prepared 12 monthly delinquent tax reports. Payments for month selected were not made timely and disbursements agreed to the monthly report for the month tested.**

County Clerk's Response: The April Delinquent tax report was prepared 1 day late. All other months were on time. My deputy who prepares report is also the election supervisor. In April, she & I were working on ABs Ballot. Due to Covid, election preparation the checks were written 1 day late. We were also closed due to Covid at this time.

- **Excess fees due to the fiscal court were recalculated and there are \$97,334 additional excess fee due to the fiscal court.**

County Clerk's Response: No response.

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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