



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 Robertson County Clerk's Fee Account**

**FRANKFORT, Ky.** – State Auditor Mike Harmon today released the audit of the 2019 financial statement of Robertson County Clerk Joanie Jolly. State law requires the auditor to conduct annual audits of county clerks and sheriffs.

Auditing standards require the auditor's letter to communicate whether the financial statement presents fairly the receipts, disbursements and excess fees of the Robertson County Clerk in accordance with accounting principles generally accepted in the United States of America. The clerk's financial statement did not follow this format. However, the clerk'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 clerk 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 the internal control over financial operations and reporting.

The audit contains the following comment:

**The county clerk's office does not have adequate segregation of duties:** This is a repeat finding and was included in the prior year audit report as finding 2018-001. The county clerk's office does not have adequate segregation of duties over the accounting and reporting functions of the clerk's office. The county clerk is responsible for receiving cash, preparing daily deposits, preparing and signing checks, posting to receipts and disbursements ledgers, preparing monthly bank reconciliations, and also comparing the weekly, monthly, and quarterly reports to the ledgers. According to the county clerk, this is a result of a limited budget, which restricts the number of employees the county clerk can hire or delegate duties to. A lack of segregation of duties increases the risk of undetected errors.

A proper segregation of duties over the accounting and reporting functions, such as preparation of the quarterly reports, or implementing compensating controls, when necessary because of a limited number of staff, is essential for providing protection from asset misappropriation and inaccurate financial reporting. Additionally, a proper segregation of duties protects employees in the normal course of performing their daily responsibilities.

We recommend the county clerk separate the duties involved in receiving cash, preparing deposits, writing checks, posting to ledgers, preparing monthly bank reconciliations, and comparing financial reports to ledgers. If this is not feasible due to a limited budget, independent cross-checking procedures should be implemented and documented by the individual performing the procedure.

*County Clerk's Response: I have all work (deposits, reports, bank statements) checked by another person in the office and signed off. We have daily checkout sheets with all voids or mistakes accounted for. We are continuing to find more ways to help with segregation of duties and will continue to be sure all work is double checked for accuracy.*

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 audit report can be found on the [auditor's website](#).

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