



Auditor of Public Accounts
Mike Harmon

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

FRANKFORT, Ky. – State Auditor Mike Harmon today released the 2018 agreed-upon procedures engagement of Adair County Clerk Lisa Greer. 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 Adair County Clerk applied for and received approval from the Auditor of Public Accounts (APA) to obtain an AUP engagement for calendar year 2018 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 Adair County Clerk, on receipts and disbursements, excess fees, recordkeeping, and leases, contracts, and liabilities for the period January 1, 2018 through December 31, 2018.

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 over spent her operating budget by \$2,029.**

County Clerk's Response: Due to unanticipated refunds from new vehicles purchased out of state and others, will increase the refund line.

- **The county clerk did perform monthly bank reconciliations; however, the book balance is not compared to the county clerk's records. The December 31, 2018 bank reconciliation was not accurate due to not including a deposit in transit of \$59,918.**

County Clerk's Response: We do monthly reconciliations, but will compare also to our ledgers.

- **According to the county clerk's settlement, excess fees due to fiscal court were recalculated at \$234,863; however, the reconciled book balance was \$236,773 resulting in a variance of \$1,910. There is additional excess fees of \$36,773 due to fiscal court.**

County Clerk's Response: Will turn over more.

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

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