

**REPORT OF THE AUDIT OF THE
LEE COUNTY
CLERK**

**For The Year Ended
December 31, 2017**



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MIKE HARMON
AUDITOR OF PUBLIC ACCOUNTS

The Honorable Steve Mays, Lee County Judge/Executive
The Honorable Kim Noe, Lee County Clerk
Members of the Lee County Fiscal Court

Independent Auditor's Report

Report on the Financial Statement

We have audited the accompanying Statement of Receipts, Disbursements, and Excess Fees - Regulatory Basis of the County Clerk of Lee County, Kentucky, for the year ended December 31, 2017, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with accounting practices prescribed or permitted by the laws of Kentucky to demonstrate compliance with the Commonwealth of Kentucky's regulatory basis of accounting and budget laws. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the *Audit Guide for County Fee Officials* issued by the Auditor of Public Accounts, Commonwealth of Kentucky. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



The Honorable Steve Mays, Lee County Judge/Executive
 The Honorable Kim Noe, Lee County Clerk
 Members of the Lee County Fiscal Court

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by the Lee County Clerk on the basis of the accounting practices prescribed or permitted by the laws of Kentucky to demonstrate compliance with the Commonwealth of Kentucky's regulatory basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the Lee County Clerk, as of December 31, 2017, or changes in financial position or cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the receipts, disbursements, and excess fees of the Lee County Clerk for the year ended December 31, 2017, in accordance with the basis of accounting practices prescribed or permitted by the Commonwealth of Kentucky as described in Note 1.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 17, 2018, on our consideration of the Lee County Clerk's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Lee County Clerk's internal control over financial reporting and compliance.

Based on the results of our audit, we have presented the accompanying Schedule of Findings and Responses, included herein, which discusses the following report comments:

- 2017-001 The County Clerk's Office Lacks Adequate Segregation Of Duties
- 2017-002 The County Clerk Did Not Properly Handle Disbursements And Had Disallowed Disbursements In The Amount Of \$59
- 2017-003 The County Clerk Failed To Implement Strong Internal Controls Over Payroll

Respectfully submitted,



Mike Harmon
 Auditor of Public Accounts

August 17, 2018

LEE COUNTY
KIM NOE, COUNTY CLERK
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND EXCESS FEES - REGULATORY BASIS

For The Year Ended December 31, 2017

Receipts

State Revenue Supplement		\$ 66,599
State Fees For Services		3,035
Fiscal Court		4,792
Licenses and Taxes:		
Motor Vehicle-		
Licenses and Transfers	\$ 211,088	
Usage Tax	146,911	
Tangible Personal Property Tax	453,424	
Auto Liens	4,214	
Other-		
Fish and Game Licenses	9,177	
Marriage Licenses	1,640	
Deed Transfer Tax	7,167	
Delinquent Tax	<u>221,591</u>	1,055,212
Fees Collected for Services:		
Recordings-		
Deeds, Easements, and Contracts	6,755	
Real Estate Mortgages	6,575	
Chattel Mortgages and Financing Statements	17,866	
Powers of Attorney	686	
All Other Recordings	9,539	
Charges for Other Services-		
Candidate Filing Fees	2,050	
Copywork	<u>2,610</u>	46,081
Other:		
Bad Debts Collection	981	
Miscellaneous	<u>2,099</u>	3,080
Interest Earned		<u>8</u>
Total Receipts		1,178,807

The accompanying notes are an integral part of this financial statement.

LEE COUNTY
 KIM NOE, COUNTY CLERK
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND EXCESS FEES - REGULATORY BASIS
 For The Year Ended December 31, 2017
 (Continued)

Disbursements

Payments to State:

Motor Vehicle-

Licenses and Transfers	\$ 155,094	
Usage Tax	142,504	
Tangible Personal Property Tax	164,970	
Licenses, Taxes, and Fees-		
Fish and Game Licenses	8,930	
Delinquent Tax	13,928	
Legal Process Tax	5,061	
Candidate Filing Fees	667	
Affordable Housing Trust	5,304	\$ 496,458

Payments to Fiscal Court:

Tangible Personal Property Tax	63,468	
Delinquent Tax	56,238	
Deed Transfer Tax	6,807	126,513

Payments to Other Districts:

Tangible Personal Property Tax	206,930	
Delinquent Tax	79,951	286,881

Payments to Sheriff 20,810

Payments to County Attorney 30,027

Operating Disbursements and Capital Outlay:

Personnel Services-

Deputies' Salaries 107,542

Employee Benefits-

Other Payroll Disbursements 772

Contracted Services-

Fish and Game 132

Maintenance 4,000

Printing and Binding 1,934

Materials and Supplies-

Office Supplies 1,903

The accompanying notes are an integral part of this financial statement.

LEE COUNTY
 KIM NOE, COUNTY CLERK
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND EXCESS FEES - REGULATORY BASIS
 For The Year Ended December 31, 2017
 (Continued)

Disbursements (Continued)

Operating Disbursements and Capital Outlay: (Continued)

Other Charges-		
Conventions and Travel	\$	599
Dues		680
Postage		972
Bank Charges		9
Miscellaneous		1,322
Capital Outlay-		
Office Equipment		4,729
		<u>\$ 124,594</u>
Total Disbursements		1,085,283
Less: Disallowed Disbursements		
Candy and Treat Bags		<u>(59)</u>
Total Allowable Disbursements		<u>1,085,224</u>
Net Receipts		93,583
Less: Statutory Maximum		<u>79,008</u>
Excess Fees		14,575
Less: Expense Allowance	3,600	
Training Incentive Benefit	4,052	<u>7,652</u>
Excess Fees Due County for 2017		6,923
Payment to Fiscal Court - March 8, 2018		<u>6,864</u>
Balance Due Fiscal Court at Completion of Audit		<u><u>\$ 59</u></u>

The accompanying notes are an integral part of this financial statement.

LEE COUNTY
NOTES TO FINANCIAL STATEMENT

December 31, 2017

Note 1. Summary of Significant Accounting Policies

A. Fund Accounting

A fee official uses a fund to report on the results of operations. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fee official uses a fund for fees to account for activities for which the government desires periodic determination of the excess of receipts over disbursements to facilitate management control, accountability, and compliance with laws.

B. Basis of Accounting

KRS 64.820 directs the fiscal court to collect any amount, including excess fees, due from the county clerk as determined by the audit. KRS 64.152 requires the county clerk to settle excess fees with the fiscal court by March 15 each year.

The financial statement has been prepared on a regulatory basis of accounting, which demonstrates compliance with the laws of Kentucky and is a special purpose framework. Under this regulatory basis of accounting, receipts and disbursements are generally recognized when cash is received or disbursed, with the exception of accrual of the following items (not all-inclusive) at December 31 that may be included in the excess fees calculation:

- Interest receivable
- Collection on accounts due from others for 2017 services
- Reimbursements for 2017 activities
- Payments due other governmental entities for December tax and fee collections and payroll
- Payments due vendors for goods or services provided in 2017

The measurement focus of a fee official is upon excess fees. Remittance of excess fees is due to the county treasurer in the subsequent year.

C. Cash and Investments

KRS 66.480 authorizes the county clerk's office to invest in obligations of the United States and of its agencies and instrumentalities, obligations and contracts for future delivery or purchase of obligations backed by the full faith and credit of the United States, obligations of any corporation of the United States government, bonds or certificates of indebtedness of this state, and certificates of deposit issued by or other interest-bearing accounts of any bank or savings and loan institution which are insured by the Federal Deposit Insurance Corporation (FDIC) or which are collateralized, to the extent uninsured, by any obligation permitted by KRS 41.240(4).

Note 2. Employee Retirement System and Other Post-Employment Benefits

The county official and employees have elected to participate, pursuant to KRS 78.530, in the County Employees Retirement System (CERS), which is administered by the Board of Trustees of the Kentucky Retirement Systems (KRS). This is a cost-sharing, multiple-employer, defined benefit pension plan, which covers all eligible full-time employees and provides for retirement, disability, and death benefits to plan members. Benefit contributions and provisions are established by statute.

LEE COUNTY
 NOTES TO FINANCIAL STATEMENT
 December 31, 2017
 (Continued)

Note 2. Employee Retirement System and Other Post-Employment Benefits (Continued)

Nonhazardous covered employees are required to contribute five percent of their salary to the plan. Nonhazardous covered employees who begin participation on or after September 1, 2008, are required to contribute six percent of their salary to be allocated as follows: five percent will go to the member's account and one percent will go to the KRS insurance fund. The county's contribution rate for nonhazardous employees was 18.68 percent for the first six months and 19.18 percent for the last six months.

In accordance with Senate Bill 2, signed by the Governor on April 4, 2013, plan members who began participating on, or after, January 1, 2014, were required to contribute to the Cash Balance Plan. The Cash Balance Plan is known as a hybrid plan because it has characteristics of both a defined benefit plan and a defined contribution plan. Members in the plan contribute a set percentage of their salary each month to their own accounts. Nonhazardous members contribute five percent of their annual creditable compensation and one percent to the health insurance fund which is not credited to the member's account and is not refundable. The employer contribution rate is set annually by the Board based on an actuarial valuation. The employer contributes a set percentage of the member's salary. Each month, when employer contributions are received, an employer pay credit is deposited to the member's account. A nonhazardous member's account is credited with a four percent employer pay credit. The employer pay credit represents a portion of the employer contribution.

Benefits fully vest on reaching five years of service for nonhazardous employees. Aspects of benefits for nonhazardous employees include retirement after 27 years of service or age 65. Nonhazardous employees who begin participation on or after September 1, 2008, must meet the rule of 87 (member's age plus years of service credit must equal 87, and the member must be a minimum of 57 years of age) or the member is age 65, with a minimum of 60 months service credit.

Health Insurance Coverage

CERS also provides post-retirement health care coverage as follows:

For members participating prior to July 1, 2003, years of service and respective percentages of the maximum contribution are as follows:

Years of Service	% paid by Insurance Fund	% Paid by Member through Payroll Deduction
20 or more	100%	0%
15-19	75%	25%
10-14	50%	50%
4-9	25%	75%
Less than 4	0%	100%

As a result of House Bill 290 (2004 General Assembly), medical insurance benefits are calculated differently for members who began participation on or after July 1, 2003. Once members reach a minimum vesting period of ten years, non-hazardous employees whose participation began on or after July 1, 2003, earn ten dollars per month for insurance benefits at retirement for every year of earned service without regard to a maximum dollar amount. This dollar amount is subject to adjustment annually based on the retiree cost of living adjustment, which is updated annually due to changes in the Consumer Price Index.

KRS issues a publicly available annual financial report that includes financial statements and required supplementary information on CERS. This report may be obtained by writing the Kentucky Retirement Systems, 1260 Louisville Road, Frankfort, KY 40601-6124, or by telephone at (502) 564-4646.

LEE COUNTY
NOTES TO FINANCIAL STATEMENT
December 31, 2017
(Continued)

Note 3. Deposits

The Lee County Clerk maintained deposits of public funds with depository institutions insured by the Federal Deposit Insurance Corporation (FDIC) as required by KRS 66.480(1)(d). According to KRS 41.240, the depository institution should pledge or provide sufficient collateral which, together with FDIC insurance, equals or exceeds the amount of public funds on deposit at all times. In order to be valid against the FDIC in the event of failure or insolvency of the depository institution, this pledge or provision of collateral should be evidenced by an agreement between the county clerk and the depository institution, signed by both parties, that is (a) in writing, (b) approved by the board of directors of the depository institution or its loan committee, which approval must be reflected in the minutes of the board or committee, and (c) an official record of the depository institution.

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a depository institution failure, the county clerk's deposits may not be returned. The Lee County Clerk does not have a deposit policy for custodial credit risk but rather follows the requirements of KRS 66.480(1)(d) and KRS 41.240. As of December 31, 2017, all deposits were covered by FDIC insurance or a properly executed collateral security agreement.

Note 4. Lease Agreement

The Lee County Clerk's office was committed to a lease agreement for computer software. The agreement requires a monthly payment of \$500 for 60 months to be completed on May 1, 2018. The total balance of the agreement was \$3,500 as of December 31, 2017.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL
STATEMENT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

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MIKE HARMON
AUDITOR OF PUBLIC ACCOUNTS

The Honorable Steve Mays, Lee County Judge/Executive
The Honorable Kim Noe, Lee County Clerk
Members of the Lee County Fiscal Court

Report On Internal Control Over Financial Reporting And
On Compliance And Other Matters Based On An Audit Of The Financial
Statement Performed In Accordance With *Government Auditing Standards*

Independent Auditor's Report

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the Statement of Receipts, Disbursements, and Excess Fees - Regulatory Basis of the Lee County Clerk for the year ended December 31, 2017, and the related notes to the financial statement and have issued our report thereon dated August 17, 2018. The Lee County Clerk's financial statement is prepared on a regulatory basis of accounting, which demonstrates compliance with the Commonwealth of Kentucky's regulatory basis of accounting and budget laws, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statement, we considered the Lee County Clerk's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the Lee County Clerk's internal control. Accordingly, we do not express an opinion on the effectiveness of the Lee County Clerk's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Responses, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Responses as items 2017-001, 2017-002, and 2017-003 to be material weaknesses.

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Report On Internal Control Over Financial Reporting And
On Compliance And Other Matters Based On An Audit Of The Financial
Statement Performed In Accordance With *Government Auditing Standards*
(Continued)

Compliance And Other Matters

As part of obtaining reasonable assurance about whether the Lee County Clerk's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Responses as items 2017-002 and 2017-003.

Views of Responsible Official and Planned Corrective Action

The Lee County Clerk's views and planned corrective action for the findings identified in our audit are described in the accompanying Schedule of Findings and Responses. The Lee County Clerk's responses were not subjected to the auditing procedures applied in the audit of the financial statement and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



Mike Harmon
Auditor of Public Accounts

August 17, 2018

SCHEDULE OF FINDINGS AND RESPONSES

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LEE COUNTY
KIM NOE, COUNTY CLERK
SCHEDULE OF FINDINGS AND RESPONSES

For The Year Ended December 31, 2017

FINANCIAL STATEMENT FINDINGS:

2017-001 The County Clerk's Office Lacks Adequate Segregation Of Duties

The Lee County Clerk's office lacks adequate segregation of duties. This is a repeat finding and was included in the prior year audit report as finding 2016-001.

According to the county clerk, due to the entity's diversity of official operations, small size, and budget restrictions, the Lee County Clerk has limited options for establishing an adequate segregation of duties. The county clerk employs a part-time bookkeeper that completes all bookkeeping functions such as all posting to the ledgers, preparing the compilation of daily checkouts, preparing the daily deposits, preparing all checks, preparing all reports except the weekly reports for usage and license, reconciling the bank statements, and preparing the financial statements. The county clerk prepares the weekly reports for usage and license. She does agree each report to his ledgers but does not initial the supporting documentation. The county clerk does not have an independent individual review reports, checks, or the disbursements ledger. This could result in misappropriation of assets and inaccurate financial reporting to external agencies. Good internal controls dictate one employee should not have control over all of these duties.

In order to improve controls, we recommend the county clerk implement the following:

- The county clerk should require the deputy clerks to count each other's cash drawers.
- The county clerk should reconcile monthly reports to the ledgers for receipts and disbursements. This can be documented by initialing the ledgers and the monthly reports.
- The county clerk should review the bank reconciliation and agree it to the ledgers. This can be documented by initialing the bank reconciliation.
- The county clerk should review the financial statements and agree them to the ledgers and bank reconciliations. This can be documented by initialing the financial statements.

County Clerk's Response: Small office staff is cross trained on all. Hard to segregate duties with small office staff.

2017-002 The County Clerk Did Not Properly Handle Disbursements And Had Disallowed Disbursements In The Amount Of \$59

The clerk's office lacks controls over disbursements. Auditors noted the following deficiencies:

- One invoice included candy and other disallowed items totaling \$59.
- Six invoices were not paid within 30 days of receipt.
- Sixteen invoices dated 2015 and 2016 were paid in 2017 with 2017 fee monies.

The county clerk does not have internal controls in place to ensure that invoices are paid timely and that they are allowable disbursements of the fee account. Failure to review disbursements could result in overpayments to vendors and disallowed expenditures. Failure to pay invoices timely could result in late fees and penalties which the clerk could be personally responsible for.

KRS 65.140(2) states, "all bills for goods or services shall be paid within thirty (30) working days of receipt of a vendor's invoice except when payment is delayed because the purchaser has made a written disapproval of improper performances or improper invoicing by the vendor or by the vendor's subcontractor."

LEE COUNTY
 KIM NOE, COUNTY CLERK
 SCHEDULE OF FINDINGS AND RESPONSES
 For The Year Ended December 31, 2017
 (Continued)

FINANCIAL STATEMENT FINDINGS: (Continued)

2017-002 The County Clerk Did Not Properly Handle Disbursements And Had Disallowed Disbursements In The Amount Of \$59 (Continued)

In Funk v. Milliken, 317 S.W.2d 499 (Ky. 1958), Kentucky's highest court ruled that county fee officials' expenditures of public funds will be allowed only if they are necessary, adequately documented, reasonable in amount, beneficial to the public, and not primarily personal in nature.

We recommend the county clerk deposit personal funds of \$59 to reimburse the 2017 fee account for these disallowed disbursements. The Lee County Clerk should ensure all invoices are paid within 30 days. Additionally, the clerk should carefully review invoices and disbursements before payment to determine that they are accurate and that they are necessary expenses of the clerk's office.

County Clerk's Response: Check will be written for fiscal court for \$59 for Halloween candy. All bills will be paid on time and invoices will be put in envelope for audit.

2017-003 The County Clerk Failed To Implement Strong Internal Controls Over Payroll

The county clerk's office lacked adequate internal controls over payroll. We noted several deficiencies in the documentation, preparation, and presentation of payroll. The county clerk considers all employees to be salaried employees and does not accurately record hours worked, sick and vacation leave time, or overtime on timesheets. Because overtime is not recorded, employees have not been paid time and a half for overtime worked. The clerk's bookkeeper maintains a spreadsheet that contains time worked and wage amounts per pay period. However, this is printed out every six months for the employee to sign for audit reasons. The clerk does not approve individual timesheets before each pay period.

The county clerk does not have controls in place to ensure that payroll is handled properly. The following can happen as a result of the deficiencies noted:

- Employees could be overpaid or underpaid since hours worked are not tracked.
- Without accurate tracking of leave balances, there is an increased risk employees could be paid for sick and vacation time not earned.

KRS 337.320(1) requires, "[e]very employer shall keep a record of: (a) The amount paid each pay period to each employee; (b) The hours worked each day and each week by each employee; and (c) Such other information as the commissioner requires." KRS 337.285(1) states, "[n]o employer shall employ any of his employees for a work week longer than forty (40) hours, unless such employee receives compensation for his employment in excess of forty (40) hours in a work week at a rate of not less than one and one-half (1-1/2) times the hourly wage rate at which he is employed." This statute also allows for certain exemptions or the granting of compensatory time for hours worked in excess of 40 hours per week.

We recommend the county clerk strengthen internal controls over the payroll process to ensure timesheets are accurately prepared and signed by all employees for each pay period, are reviewed, approved, and signed by the county clerk, and leave balances are accurately monitored. Additionally, we recommend the county clerk contact the Kentucky Labor Cabinet Division of Wages and Hours to determine if additional pay is due to employees for hours worked in excess of 40 hours per week.

LEE COUNTY
KIM NOE, COUNTY CLERK
SCHEDULE OF FINDINGS AND RESPONSES
For The Year Ended December 31, 2017
(Continued)

FINANCIAL STATEMENT FINDINGS: (Continued)

2017-003 The County Clerk Failed To Implement Strong Internal Controls Over Payroll (Continued)

County Clerk's Response: Will start using time on Monday August 20, 2018 and have employee to sign and me to sign.