



Auditor of Public Accounts
Mike Harmon

FOR IMMEDIATE RELEASE

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Harmon Releases Audit of Leslie Clerk's Fee Account

FRANKFORT, Ky. – State Auditor Mike Harmon today released the audit of the 2015 financial statement of Leslie County Clerk James Lewis. 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 Leslie 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 non-compliance with laws, regulations, contracts and grants. The auditor must also comment on material weaknesses involving the internal control over financial operations and reporting.

The county clerk should escheat condemnation funds to the state. The county clerk has been maintaining a bank account for retention of unclaimed funds as a result of property condemnation for more than seven years. The original property owner is deceased. In calendar year 2014, it was thought that descendants had been found; however, as of the audit date, no individual had claimed the funds. KRS 393.050 states, in relevant part, "when a person owning any property having a situs in this state is not known to be living for seven (7) successive years, and neither he nor his heirs, devisees, or distributees can be located or proved to have been living for seven (7) successive years, he shall be presumed to have died without heirs, devisees, or distributees, and his property shall be liquidated and the proceeds . . . shall be paid to the [Kentucky State Treasury]." We recommend the county clerk comply with KRS 393.050 by escheating condemnation funds to the Kentucky State Treasury.

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

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The Auditor of Public Accounts ensures that public resources are protected, accurately valued, properly accounted for, and effectively employed to raise the quality of life of Kentuckians.

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