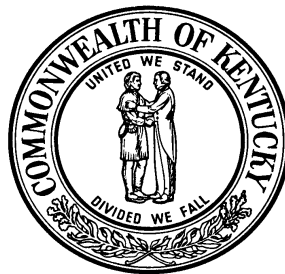


**REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS  
AGREED-UPON PROCEDURES ENGAGEMENT  
OF THE  
WARREN COUNTY SHERIFF**

**For The Period  
January 1, 2022 Through December 31, 2022**



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**MIKE HARMON**  
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**SUMMARY OF PROCEDURES AND FINDINGS**

**AGREED-UPON PROCEDURES OF THE  
WARREN COUNTY SHERIFF**

For The Period January 1, 2022 Through December 31, 2022

The Warren County Sheriff applied for and received approval from the Auditor of Public Accounts (APA) to obtain an Agreed-Upon Procedures (AUP) engagement for calendar year 2022 in accordance with KRS 43.070(1)(c). AUP reports present the procedures performed and the results of those procedures, called findings. The summary below presents those findings for which an exception (an instance of noncompliance with the criteria) was identified during the AUP engagement.

During the AUP engagement of the Warren County Sheriff, the following exceptions were noted:

- The selected disbursements agree to paid invoices or other supporting documentation and cancelled checks. However, there was one credit card disbursement totaling \$57 that was not properly supported.
- Payroll charges are properly supported by timesheets. However, six employees were earning compensatory time and being paid time and a half in the same pay period without a written compensatory time agreement between the sheriff and the employee.

Findings related to procedures for which there were no exceptions identified, and official responses to exceptions are not included in the summary above, but can be found in the full report. A copy of this report is available on the Auditor of Public Accounts' website at [auditor.ky.gov](http://auditor.ky.gov).

Respectfully submitted,

Mike Harmon  
Auditor of Public Accounts  
Frankfort, KY  
September 22, 2023



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**MIKE HARMON**  
**AUDITOR OF PUBLIC ACCOUNTS**

Independent Accountant's Report  
On Applying Agreed-Upon Procedures

The Honorable Doug Gorman, Warren County Judge/Executive  
The Honorable Brett Hightower, Warren County Sheriff  
Members of the Warren County Fiscal Court

We have performed the procedures enumerated below, which were agreed to by the Warren County Sheriff, related to the sheriff's compliance with the Department for Local Government's *County Budget Preparation and State Local Finance Officer Policy Manual* regarding the accountability for receipts and disbursements, excess fees, recordkeeping, and leases, contracts, and liabilities for the period January 1, 2022 through December 31, 2022. An agreed-upon procedures engagement involves the APA performing specific procedures that the sheriff has agreed to and acknowledged to be appropriate for the intended purpose of the engagement and reporting on findings based on the procedures performed. The Warren County Sheriff is responsible for compliance with these requirements. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representations regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose. The Warren County Sheriff has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of determining the sheriff's compliance with the Department for Local Government's *County Budget Preparation and State Local Finance Officer Policy Manual* regarding the accountability for receipts and disbursements, excess fees, recordkeeping, and leases, contracts, and liabilities. The purpose of the engagement is to assist users in determining whether the sheriff complied with the specified requirements. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

Our procedures and findings are as follows:

1. Compliance Procedure -

Determine if the sheriff has a fourth quarter financial statement, a receipts ledger, and a disbursements ledger.

Finding -

No exceptions were found as a result of applying the procedure.

2. Procedure -

Determine that the sheriff's fourth quarter financial statement agrees to the sheriff's receipts ledger and disbursements ledger. Variances in total receipts or total disbursements that exceed 1% of gross receipts or exceed \$20,000 will be reported.

Finding -

No exceptions were found as a result of applying the procedure.



The Honorable Doug Gorman, Warren County Judge/Executive  
 The Honorable Brett Hightower, Warren County Sheriff  
 Members of the Warren County Fiscal Court  
 (Continued)

3. Compliance Procedure -

Compare the sheriff's operating disbursements (Total disbursements per EMARS 2550 Reconciliation) to the general term order estimated expenditures which the fiscal court or other approving authority approved, either in total or by operating category, to determine if the sheriff overspent the general term order. Overages that exceed 1% of gross receipts or exceed \$20,000 will be reported.

Finding -

No exceptions were found as a result of applying the procedure.

4. Procedure -

Determine if the sheriff has reconciled the 75% account to the EMARS Financial System Monthly Cash Detail 2550 report.

Finding -

No exceptions were found as a result of applying the procedure. The ending reconciled balance as of December 31, 2022 is \$0.

5. Procedure -

Obtain a list of accounts prepared by the sheriff that are applicable to the current calendar year.

Finding -

No exceptions were found as a result of applying the procedure. The sheriff maintains fee, imprest cash, seized funds, donation, and seizure accounts.

6. Compliance Procedure -

Determine if the sheriff reconciles all bank accounts monthly. Re-perform the bank reconciliations for all accounts as of December 31, 2022, to determine the reconciled ending balances and if bank reconciliations are accurate. Determine if any additional funds are due to the state repository for 75% or 25% accounts.

Finding -

No exceptions were found as a result of applying the procedure. The balances of the sheriff's accounts are:

<u>Account Name:</u>	<u>Reconciled Account Balance:</u>
Fee Account	\$ 0
Imprest Cash Account	\$ 0
Seized Funds Account	\$ 68,538
Donation Account	\$ 6,548
Seizure Account	\$ 54

The Honorable Doug Gorman, Warren County Judge/Executive  
The Honorable Brett Hightower, Warren County Sheriff  
Members of the Warren County Fiscal Court  
(Continued)

7. Compliance Procedure -

Determine if receipts are properly accounted for by comparing batched receipts to daily check-out sheets, deposit tickets, receipts ledger, and bank statements for a randomly selected week.

Finding -

No exceptions were found as a result of applying the procedure.

8. Compliance Procedure -

Determine if the sheriff completed an annual asset forfeiture report. Determine if assets forfeited to the sheriff, are properly accounted for by tracing the asset to a bank deposit, receipts ledger, or asset ledger and determine if amounts due to the commonwealth attorney were remitted.

Finding -

No exceptions were found as a result of applying the procedure.

9. Procedure -

Determine if tax commissions are properly accounted for by computing the sheriff's current calendar year tax commission. Compare amount recorded on the fourth quarter financial statement to the computation of tax commissions. Variances that exceed 1% of gross receipts or exceed \$20,000 will be reported.

Finding -

No exceptions were found as a result of applying the procedure.

10. Procedure -

Judgmentally select 15 operating disbursements from the sheriff's records and agree amounts paid to invoices or other supporting documentation and cancelled check. Determine if the disbursement is for official business. Inspect all credit card statements (if any) to determine if disbursements are for official business.

Finding -

The selected disbursements agree to paid invoices or other supporting documentation and cancelled checks. However, there was one credit card disbursement totaling \$57 that was not properly supported.

11. Procedure -

Judgmentally select one month's imprest cash voucher and review the attached receipts to determine if disbursements are for official business. Verify imprest cash vouchers are submitted monthly and agree to amounts reimbursed by the 75% account.

Finding -

No exceptions were found as a result of applying the procedure.

The Honorable Doug Gorman, Warren County Judge/Executive  
The Honorable Brett Hightower, Warren County Sheriff  
Members of the Warren County Fiscal Court  
(Continued)

12. Compliance Procedure -

Verify the sheriff's maximum salary order for deputies was not overspent.

Finding -

No exceptions were found as a result of applying the procedure.

13. Compliance Procedure -

Determine whether payroll charges are properly supported by verifying that timesheets are completed, maintained, approved, and support hours paid by inspecting one pay period's timesheets for all employees.

Finding -

Payroll charges are properly supported by timesheets. However, six employees were earning compensatory time and being paid time and a half in the same pay period without a written compensatory time agreement between the sheriff and the employee.

*Sheriff's Response: We allow employees to select on their compensation as either OT pay or accrual of comp time.*

14. Compliance Procedure -

Determine that the sheriff was paid the statutory salary as fixed by the Department for Local Government salary schedule.

Finding -

The sheriff was paid \$133,346. The statutorily required salary was \$133,346.

15. Procedure -

Scan lease agreements and service contracts and compare to actual payments. Determine if services received were appropriate, for official business, and properly authorized. Determine if liabilities requiring disclosure were properly disclosed on the fourth quarter financial statement.

Finding -

No exceptions were found as a result of applying the procedure.

16. Compliance Procedure -

Verify the sheriff is properly bonded for the period covered by the agreed upon procedures.

Finding -

No exceptions were found as a result of applying the procedure.



The Honorable Doug Gorman, Warren County Judge/Executive  
The Honorable Brett Hightower, Warren County Sheriff  
Members of the Warren County Fiscal Court  
(Continued)

We were engaged by the Warren County Sheriff to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. We were not engaged to, and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on compliance with specified requirements. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Warren County Sheriff and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

The purpose of this report is to present the procedures performed and the results of those procedures and is not intended for any other purpose. This report is intended solely for the information and use of the Warren County Sheriff and the Warren County Fiscal Court, and is not intended to be and should not be used by anyone other than the specified parties.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mike Harmon", with a long horizontal line extending to the right.

Mike Harmon  
Auditor of Public Accounts  
Frankfort, KY

September 22, 2023