

**REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS
AGREED-UPON PROCEDURES ENGAGEMENT
OF THE
BALLARD COUNTY ATTORNEY**

**For The Period
July 1, 2022 Through June 30, 2023**



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**ALLISON BALL
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SUMMARY OF PROCEDURES AND FINDINGS

**AGREED-UPON PROCEDURES OF THE
BALLARD COUNTY ATTORNEY**

For The Period July 1, 2022 Through June 30, 2023

The Ballard County Attorney received an Agreed-Upon Procedures (AUP) engagement for the period July 1, 2022 through June 30, 2023. 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 Ballard County Attorney, the following exceptions were noted:

- Traffic safety receipts from third-party vendors who collect traffic safety program fees were confirmed. The county attorney does not have a receipts ledger. Receipts were traced to the county attorney's check register and bank statement.
- Delinquent tax receipts received from the county clerk were confirmed. The county attorney does not have a receipts ledger. Receipts were traced to the county attorney's check register and bank statement.
- Total receipts per deposit tickets did not agree with the county attorney's receipts ledger due to the delinquent tax escrow account not having receipts ledgers and the general account having a check register. Total receipts per deposit tickets did agree to the county attorney's bank statement for each deposit made.
- Operating disbursement amounts were agreed to bank information. Disbursements were for official operating expenses and in accordance with applicable statutes, with the exception of five disbursements totaling \$352. Four disbursements totaling \$289 were for meals that had no support documenting the purpose being for official business. Of those four meal disbursements, one had no receipt and two did not have itemized receipts. Additionally, there was one payment to the sheriff for \$63 that was not an authorized fee of the sheriff's office.

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.

Respectfully submitted,

Allison Ball
Auditor of Public Accounts
Frankfort, KY

April 19, 2024



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ALLISON BALL
AUDITOR OF PUBLIC ACCOUNTS

Independent Accountant's Report
On Applying Agreed-Upon Procedures

The Honorable Todd Cooper, Ballard County Judge/Executive
The Honorable Bethany Denton, Ballard County Attorney
Members of the Ballard County Fiscal Court

We have performed the procedures enumerated below related to the Ballard County Attorney's compliance with applicable sections of the Kentucky Revised Statutes (KRS), Kentucky Administrative Regulations (KAR), and *the Generally Accepted Standards for Funds of County Attorney Offices* during the period July 1, 2022 through June 30, 2023.

An agreed-upon procedures engagement involves the APA performing specific procedures that the county attorney 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 Ballard County Attorney 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 Ballard County Attorney has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of determining the county attorney's compliance with applicable sections of the KRS, KAR, and the *Generally Accepted Standards for Funds of County Attorney Offices*. The purpose of the engagement is to assist users in determining whether the county attorney 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.

The procedures and findings are as follows:

1. Procedure -

Obtain a list of bank accounts maintained by the county attorney that are applicable for the fiscal year.

Finding -

No exceptions were found as a result of applying the procedure. The county attorney maintains a general account, a delinquent tax escrow account, and a child support account.



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2. Procedure -

Determine if the county attorney has a petty cash or a change fund and document the amount of the county attorney's petty cash and change fund.

Finding -

The county attorney does not maintain a petty cash or a change fund.

3. Procedure -

Confirm all payments made by the fiscal court to the county attorney's office. Trace the fiscal court payments from the fiscal court confirmation to the county attorney's receipts ledger and official bank account.

Finding -

Per the fiscal court confirmation, no payments made by the fiscal court to the county attorney's office.

4. Procedure -

Determine if the county attorney collects cold check fees, delinquent taxes, and traffic safety program receipts.

Finding -

The county attorney collects cold check fees, delinquent taxes, and traffic safety program receipts.

5. Procedure -

Confirm all traffic safety receipts from third party vendors who collect traffic safety program fees and trace to the county attorney's receipts ledger and bank statements.

Finding -

Traffic safety receipts from third-party vendors who collect traffic safety program fees were confirmed. The county attorney does not have a receipts ledger. Receipts were traced to the county attorney's check register and bank statement.

County Attorney's Response: The Ballard County Attorney's Office has purchased a receipts ledger and said ledger will be used for all future transactions involving traffic safety.

6. Procedure -

Confirm all delinquent tax receipts received from the county clerk and trace to the county attorney's receipts ledger and bank statements.

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(Continued)

6. (Continued)

Finding -

Delinquent tax receipts received from the county clerk were confirmed. The county attorney does not have a receipts ledger. Receipts were traced to the county attorney's check register and bank statement.

County Attorney's Response: The Ballard County Attorney's Office has purchased a receipts ledger and said ledger will be used for all future transactions involving delinquent taxes.

7. Procedure -

Select five random deposits and agree total receipts per deposit tickets to the county attorney's receipts ledger and bank statement for each deposit made.

Finding -

Total receipts per deposit tickets did not agree with the county attorney's receipts ledger due to the delinquent tax escrow account not having receipts ledgers and the general account having a check register. Total receipts per deposit tickets did agree to the county attorney's bank statement for each deposit made.

County Attorney's Response: The Ballard County Attorney's Office has purchased a receipts ledger and said ledger will be used for all future transactions.

8. Compliance Procedure -

Determine if the county attorney received any KRS Chapter 218A asset forfeiture funds, then determine whether these funds were submitted to the Prosecutor's Advisory Council (PAC) in accordance with 40 KAR 4:010. Obtain operating expense documentation and determine if the use of these funds was for a law enforcement purpose.

Finding -

Not applicable, the county attorney did not receive any KRS Chapter 218A asset forfeiture funds during the fiscal year.

9. Compliance Procedure -

Judgmentally select 30 operating disbursements from the county attorney's records and agree amounts paid to invoices or other supporting documentation and bank information. Determine if the disbursement is for official operating expenses and in accordance with KRS 514.040(5), KRS 134.545, and KRS 186.574(6)(c)1. Inspect all credit card statements (if any) to determine if disbursements are for official business.

Finding -

Operating disbursement amounts were agreed to bank information. Disbursements were for official operating expenses and in accordance with applicable statutes, with the exception of five disbursements totaling \$352. Four disbursements totaling \$289 were for meals that had no support documenting the purpose being for official business. Of those four meal disbursements, one had no receipt and two did not have itemized receipts. Additionally, there was one payment to the sheriff's office for \$63 that was unauthorized fee.

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 (Continued)

9. (Continued)

County Attorney's Response: The Ballard County Attorney's Office will ensure that any and all office lunches will have a detailed agenda for the lunch meeting as well as a detailed receipt for the total number of items purchased. According to the Technical Audit Bulletin distributed by the Kentucky County Attorney's Association, number 15,

"meal/food/nonalcoholic drink/snack expenses that are necessary, reasonable in amount, beneficial to the public and not predominately personal (a) for the county attorney and/or staff employed by the county attorney office during which county attorney office work is being performed, discussed, planned, are approved expenditures."

The Technical Audit Bulletin did not state that an agenda was necessary for those expenditures. However, the Ballard County Attorney's Office will prepare an agenda for all future office meetings in which we meet at a restaurant.

As referenced in the Findings of the Ballard County Audit was a lack of supporting documentation regarding the establishments which were visited. The itemized receipt, as referenced in the Finding, was from a restaurant in LaCenter, Kentucky, [restaurant name redacted] in which a printed detailed receipt was received. The two receipts which were not itemized, were from a local Mexican restaurant, and the receipt appears to be more of an adding machine receipt, as is customary for that place of business. The meal in which had no documentation was from a restaurant in Bardwell, Kentucky, named [restaurant name redacted] and they do not give receipts. However, the Ballard County Attorney's Office will have a detailed receipt generated for all future office meetings in which we meet at a restaurant.

As referenced in the Findings of the Ballard County Audit, was a payment to the Ballard County Sheriff's Office, in the amount of \$63.00. This payment was made in order to reimburse the Sheriff for the traffic safety class. The former Ballard County Attorney and the Ballard County Sheriff reached an agreement in 2015, where the County Attorney would reimburse the Sheriff's Office the amount of \$9.00 for each completed traffic safety class, since \$9.00 is the amount the Sheriff's Office would receive if a defendant plead guilty to a speeding charge. In the month in which the audit reflects, seven (7) individuals completed a traffic safety class, and the Ballard County Attorney's Office compensated the Sheriff's Office accordingly. The Ballard County Attorney's Office will enter into a Memorandum of Understanding with the Ballard County Sheriff to document the payment of the \$9.00 per completed traffic safety course.

Auditor's Reply: The Ballard County Attorney had no documentation to support the purpose of the aforementioned meals, therefore the allowability of the meals could not be verified. Additionally, adequate support for meal costs, which include itemized receipts that detail what was purchased, were not maintained.

KRS 186.574(6)(c) states, "[a] county attorney that operates a traffic safety program: 1. May charge a reasonable fee to program participants, which shall only be used for payment of county attorney office operating expenses:" There is no legally prescribed fee to be paid from the county attorney to the sheriff's office for traffic safety class. KRS 64.090 and KRS 64.091 detail the fees that the sheriff may charge.

KRS 186.574(6)(e) addresses amounts paid to the sheriff's office from the traffic safety program and states, "[e]ach participant in a county attorney-operated traffic safety program shall, in addition to the fee payable to the county attorney and the fee required by paragraph (d) of this subsection, pay a thirty dollar (\$30) fee to the county attorney in lieu of court costs. On a monthly basis, the county attorney shall forward the fees collected pursuant to this paragraph to the Finance and Administration Cabinet to be distributed as follows: 6. Sixteen and eight-tenths percent (16.8%) to the county sheriff in the county from which the fee was received."

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10. Procedure -

Compare lease agreements, rental agreements, and service contracts to actual payments. Determine if services were for official business and properly authorized.

Finding -

Not applicable, the county attorney does not have any lease agreements, rental agreements, or service contracts.

11. Compliance Procedure -

Inspect the county attorney's annual salary statement to determine if the total exceeded the maximum total allowable annual compensation as calculated by DLG. If the county attorney receives compensation for administering the child support enforcement program, determine whether the county attorney was compensated at the hourly rate stated in the child support enforcement contract.

Finding -

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

12. Compliance Procedure -

Obtain a list of county attorney employees, and their employee classification as exempt or non-exempt for the purpose of Kentucky wage and hour laws. For employees covered by KRS 337.320 requiring an employer to maintain a time record, determine over two pay periods whether such records are completed, maintained, approved, and support hours paid. For all employees, determine if any bonuses were paid.

Finding -

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

13. Compliance Procedure -

Determine if the county attorney filed an annual settlement with the Prosecutors Advisory Council within sixty (60) days of the close of the fiscal year. (KRS 69.370)

Finding -

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

14. Compliance Procedure -

If the county attorney vacated office, determine if the county attorney filed with the fiscal court in accordance with KRS 69.370 (2) a statement accounting for all funds received, disbursed, or held by the county attorney in his or her official capacity during his or her term of office, including the transfer of remaining funds to the successor in office as required, if applicable.

Finding -

Not applicable as there was no change in the county attorney during the fiscal year.

The Honorable Todd Cooper, Ballard County Judge/Executive
The Honorable Bethany Denton, Ballard County Attorney
Members of the Ballard County Fiscal Court
(Continued)

We were engaged by the Ballard County Attorney 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 Ballard County Attorney and to meet our other 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 Ballard County Attorney and the Ballard County Fiscal Court and is not intended to be and should not be used by anyone other than the specified parties.

Respectfully submitted,



Allison Ball
Auditor of Public Accounts
Frankfort, KY

April 19, 2024