



## Auditor of Public Accounts Allison Ball

**FOR IMMEDIATE RELEASE**

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### **Ball Releases Audit of Caldwell County Clerk's Fee Account**

**FRANKFORT, Ky.** – State Auditor Allison Ball released the audit of the 2023 financial statement of Caldwell County Clerk Jennifer Hale. 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 Caldwell 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.

The audit contains the following finding:

**The county clerk lacks adequate segregation of duties over disbursements and the reconciliation process:** The Caldwell County Clerk's Office does not have adequate segregation of duties. The county clerk prepares monthly and quarterly reports, posts disbursements to the ledgers, writes and signs checks, and performs the monthly bank reconciliations.

We recommend the county clerk separate the duties involved in posting to the disbursement ledgers, preparing checks, preparing monthly bank reconciliations, and preparing weekly and quarterly reports. If this is not feasible due to a limited budget, cross-checking procedures could be implemented and documented by the individual performing the procedure.

*County Clerk's Response: My office is a rather small one, and as a result, it is difficult to pull many of my deputies away from helping customers to take care of the many responsibilities of the reconciliation process. I have one deputy who has the authority to sign checks. [Employee name redacted] writes refund checks, overpayments, and out of county lien filing payments. I only have five employees at this time. I have spoken with [employee name redacted], and trained her on entering the daily deposits into the computer. She also checks the KAVIS report every morning to make sure everything balances out. I have an employee that started this year, but has experience in reconciliation of accounts for a business with many locations. I am also training her to be able to enter, and check daily reconciliation in the [software name redacted] account. I began training her September 3, 2024. I am adding another deputy to the bank account for next year to be able to sign checks. The implementation of this change will take place after opening my 2025 Fee Account. I am moving the Fee Account to a different local bank next year to try to make the accounts easier to tell apart.*

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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