



Auditor of Public Accounts
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Ball Releases Audit of Former Estill County Clerk's Fee Account

FRANKFORT, Ky. – State Auditor Allison Ball released audits of the 2021, 2022, and 2023 financial statements of former Estill County Clerk Brian Crowe. State law requires the auditor's office to conduct annual audits of county clerks. These audits cover the Estill County Clerk's financial statements from July 1, 2021, through December 31, 2023, and contain numerous findings and repeat findings.

Auditing standards require the auditor's letter to communicate whether the financial statement presents fairly the receipts, disbursements, and excess fees of the former Estill 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.

Throughout all three reports, auditors found several repeat findings that prevailed from year to year. The former Estill County Clerk failed to implement an effective internal control environment and failed to perform the duties of his office, resulting in numerous issues. Several of these included:

- The former Estill County Clerk overspent available funds and had a deficit in the fee account of \$58,027 in 2021, \$30,299 in 2022, and \$174,326 in 2023. This deficit resulted from inaccurate calculations within budget disbursements, including deputies' salaries and overtime pay, matching retirements, health insurance, operating lease payments, and computer hardware and software agreements.
- The former Estill County Clerk's salary exceeded the maximum salary authorization, resulting in \$69,496 overpaid. This overpayment resulted from the county clerk issuing and signing payroll checks that included 21 additional checks to himself totaling \$62,417, an ineligible training incentive check issued for \$4,679, and eight ineligible expense allowance checks totaling \$2,400.
- The former Estill County Clerk's Fourth Quarter Financial Reports were materially misstated. Several errors and significant adjustments were made to present an accurate

report of the financial activity during each calendar year. Errors were made when classifying items on the ledger, including receipt misstatements of \$21,196, \$67,906, and \$29,695. Disbursement misstatements totaled \$644,148, \$573,130, and \$200,729. This was a result of a lack of implemented procedures.

- The former Estill County Clerk did not deposit funds timely and had missing cash deposits. During testing, numerous instances were noted in which deposits were not made daily, year-end deposits did not clear the bank timely, and incorrect deposits were made and not quickly corrected. In 2022, auditors found missing cash deposits of \$17,922, and \$5,804 in 2023 was missing.
- The former Estill County Clerk did not have adequate controls over license fees, did not file weekly reports timely, and did not remit license fees to the state timely. The former county clerk underpaid the state \$9,175 for 2022 and overpaid the state \$7,018 for 2023.

The county clerk has numerous statutes that outline duties and responsibilities, however, the former Estill County Clerk failed to implement adequate controls, policies, and procedures to correct any known internal weaknesses. Due to the severity of these repeat findings, the former Estill County Clerk was recommended to reimburse several financial misstatements using personal funds. Additionally, several of these matters were referred to the Office of the Attorney General and the Department for Local Government.

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 with these duties.

The audit reports can be found on the auditor's website: [2021 report](#), [2022 report](#), [2023 report](#).

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