



Auditor of Public Accounts
Mike Harmon

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**Harmon Releases Agreed-Upon Procedures Engagement of Metcalfe County
Sheriff's Office**

FRANKFORT, Ky. – State Auditor Mike Harmon today released the 2022 agreed-upon procedures engagement of Metcalfe County Sheriff Lonnie Hodges. State law requires the auditor to annually audit the accounts of each county sheriff. In compliance with this law, the auditor issues two sheriff's reports each year: one reporting on the audit of the sheriff's tax account, and the other reporting on the audit of the fee account used to operate the office.

In 2018 the Kentucky General Assembly, following a recommendation by the State Auditor, passed legislation that allows county sheriffs and clerks that met certain criteria to apply for an Agreed-Upon Procedures (AUP) engagement in lieu of an audit of their fee account. The intent of the change, which became effective in July 2018, was to reduce audit costs for sheriffs and clerks that have a history of clean audits, while still maintaining an appropriate level of accountability.

The Metcalfe County Sheriff applied for and received approval from the Auditor of Public Accounts (APA) to obtain an 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. Auditors performed the procedures, which were agreed to by the Metcalfe County Sheriff, on receipts and disbursements, excess fees, recordkeeping, and leases, contracts, and liabilities for the period January 1, 2022 through December 31, 2022.

The following exceptions were identified during the AUP engagement:

- **The sheriff's fourth quarter financial statement did not agree to the sheriff's receipts and disbursements ledgers. Receipts varied by \$108,293 and disbursements varied by \$41,459. Receivables of \$108,442 and liabilities of \$44,962 were not included on the fourth quarter financial statement.**

Sheriff's Response: The sheriff did not provide a response.

- **Tax commissions have been computed and have a variance of \$87,990. The variance is due to not including January 2023 receivables on the fourth quarter financial statement.**

Sheriff's Response: The sheriff did not provide a response.

- **The selected disbursements agreed to paid invoices or other supporting documentation and cancelled checks with the exception of one disbursement recorded to the ledger incorrectly. Disbursements were for official business. The sheriff does not use a credit card. State advancement was repaid.**

Sheriff's Response: The sheriff did not provide a response.

- **Excess fees due to the fiscal court were recalculated and the sheriff overpaid excess fees due to the fiscal court by \$2,372.**

Sheriff's Response: The sheriff did not provide a response.

- **The sheriff was paid \$98,225 and the statutorily required salary was \$98,255.**

Sheriff's Response: The sheriff did not provide a response.

The sheriff's responsibilities include collecting property taxes, providing law enforcement and performing services for the county fiscal court and courts of justice. The sheriff's office is funded through statutory commissions and fees collected in conjunction with these duties.

The agreed-upon procedures report can be found on the [auditor's website](#).

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