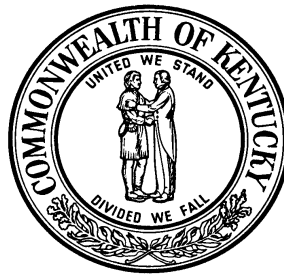


**REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS
AGREED-UPON PROCEDURES ENGAGEMENT
OF THE
FORMER BOYLE COUNTY
PROPERTY VALUATION ADMINISTRATOR**

**For The Period
July 1, 2017 Through November 30, 2018**



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Independent Accountant's Report
On Applying Agreed-Upon Procedures

William M. Landrum III, Secretary, Finance and Administration Cabinet
The Honorable Eddie Tamme, Former Boyle County Property Valuation Administrator
The Honorable Lacresha Gibson, Boyle County Property Valuation Administrator
Danville, Kentucky 40422

We have performed the procedures enumerated below, which were agreed to by the Finance and Administration Cabinet, Department of Revenue (DOR), and the former Boyle County Property Valuation Administrator (PVA), solely to assist you with the accountability for statutory contribution receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts for the period July 1, 2017 through November 30, 2018. PVA's management is responsible for the accountability for statutory contribution receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. Procedure -

Determine if the PVA has a receipts ledger, a disbursements ledger, and reconciles bank records to books each month. Re-perform the year-end bank reconciliation (November 30, 2018), for all bank accounts, to determine if amounts are accurate.

Finding -

The former PVA did not have a receipts and disbursements ledger, but rather recorded all transactions in the check register. The check register was reconciled to the bank each month; however, a formal bank reconciliation was only completed for three months on one of the bank accounts. The November 30, 2018 bank reconciliation was re-performed and determined to be accurate.

PVA's Response: We reconciled our checkbooks on a monthly basis comparing written checks to receipts for expenditures as well as receipts for deposits on our two active accounts. The third account is dormant and needs little to no attention. An Excel spreadsheet would be sexy but a waste of time in ensuring every penny of the taxpayer's money is accounted for.



William M. Landrum III, Secretary, Finance and Administration Cabinet
The Honorable Eddie Tammie, Former Boyle County Property Valuation Administrator
The Honorable Lachesha Gibson, Boyle County Property Valuation Administrator
(Continued)

2. Procedure -

Confirm all payments by the city to the PVA. Compare recorded city receipts to confirmed payment amounts obtained from city governments. Also compare recorded city receipts to the DOR list of cities to determine if the former PVA has accounted for all city receipts.

Finding -

The payments from the cities have been confirmed and agree to the former PVA receipts records. The list of city receipts is complete.

3. Procedure -

Confirm all payments made by the fiscal court to the former PVA. Compare the budgeted statutory contribution by the fiscal court to the legally required amounts calculated by the Department of Revenue. Trace the fiscal court payments from the fiscal court statutory contribution budget account to the former PVA's local bank account.

Finding -

Payments made by the fiscal court to the former PVA have been confirmed. The budgeted statutory contribution by the fiscal court agreed to the legally required amounts calculated by the Department of Revenue. Fiscal court payments were traced from the fiscal court statutory contribution budget account to the former PVA's local bank accounts.

4. Procedure -

Judgmentally select 15 disbursements from the former PVA records and agree amounts to paid invoices or other supporting documentation and bank records. 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 bank records. Disbursements were determined to be for official business. The former PVA did not use a credit card.

5. Procedure -

Compare capital outlay disbursements with supporting documentation, bank records, and proper purchasing procedures. Observe newly acquired assets. Determine if assets were added to the former PVA's Capital Asset Inventory List.

Finding -

Proper purchasing procedures were followed for capital outlay disbursements and they agreed to bank records and supporting documentation. Assets were added to the former PVA's capital asset inventory list.

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6. Procedure -

Scan vehicle lease agreements, personal service contracts, and professional service contracts for cost schedules and compare to actual payments. Determine if services received were appropriate, for official business, and properly authorized.

Finding -

The former PVA's agreements and contract payments agree to cost schedules and the services received were appropriate, for official business, and properly authorized.

7. Procedure -

Compare the PVA's final budget to actual disbursements to determine if the PVA overspent in any account series.

Finding -

The former PVA's final budget was compared to actual disbursements and the former PVA overspent in the 600 account series and 800 account series.

PVA's Response: I suppose I underspent in 200, 300, 400, 500, and 700 series while underbudgeting the 600 and 800 series and staying well within my total budget.

8. Procedure -

Determine whether timesheets are completed, maintained, approved, and support hours worked by inspecting one pay period's timesheets.

Finding -

Time records are completed, maintained, and support the hours worked; however, there was no documented approval.

PVA Response: Our office followed the steps provided in the Electronic Timekeeping System (ETS) Training Manual. I segregated duties to ensure highest level of accuracy possible.

Auditor's reply: Documentation of approval was not presented to auditors.

9. Procedure -

Determine whether cash balances were properly transferred from the former PVA to the new PVA.

Finding -

Cash balances were properly transferred from the former PVA to the new PVA.

William M. Landrum III, Secretary, Finance and Administration Cabinet
The Honorable Eddie Tammie, Former Boyle County Property Valuation Administrator
The Honorable Lachesha Gibson, Boyle County Property Valuation Administrator
(Continued)

10. Procedure -

For PVA office employees hired between July 1, 2017 and November 30, 2018, determine if the Ethics Certification Form has been completed and is on file.

Finding -

The Ethics Certification Form has been completed and is on file for employees hired between July 1, 2017 and November 30, 2018.

11. Procedure -

Determine if the former PVA's office was closed any day other than the state's approved holidays. If so, determine if the proper procedures and forms were completed.

Finding -

The former PVA's office was not closed any days other than the state's approved holidays.

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 the receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts. 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.

This report is intended solely for the information and use of the Property Valuation Administrator and the Finance and Administration Cabinet, Department of Revenue, and is not intended to be and should not be used by anyone other than these 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

January 8, 2019