

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

**For The Period
July 1, 2016 Through June 30, 2017**



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Independent Accountant's Report
On Applying Agreed-Upon Procedures

William M. Landrum III, Secretary, Finance and Administration Cabinet
The Honorable Jonathan Bruer, Carlisle County Property Valuation Administrator
Bardwell, Kentucky 40311

We have performed the procedures enumerated below, which were agreed to by the Finance and Administration Cabinet, Department of Revenue (DOR), and the Carlisle 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, 2016 through June 30, 2017. 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 (June 30, 2017), for all bank accounts, to determine if amounts are accurate.

Finding -

The PVA does not keep an adequate receipts and disbursements ledger. Though he keeps a register, it does not have all of the information that constitutes a ledger. The PVA does not correctly reconcile his books to bank records monthly. Though the PVA conducts monthly bank reconciliations, he only reconciles the transactions, not the balances. The June 30, 2017 bank reconciliation was accurate.

PVA's Response: The PVA office will be implementing the use of Quickbooks to assist with a proper ledger.



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The Honorable Jonathan Bruer, Carlisle County Property Valuation Administrator
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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 PVA has accounted for all city receipts.

Finding -

The payments from the cities have been confirmed and agree to the PVA receipts records. The list of cities' receipts is accurate.

3. Procedure -

Confirm all payments made by the fiscal court to the 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 PVA's local bank account.

Finding -

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

4. Procedure -

Judgmentally select 15 disbursements from 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. There were no credit card disbursements.

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 PVA's Capital Asset Inventory List.

Finding -

The PVA did not purchase any capital assets between July 1, 2016 and June 30, 2017.

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The Honorable Jonathan Bruer, Carlisle County Property Valuation Administrator
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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 PVA had no lease agreements or personal service contracts between July 1, 2016 and June 30, 2017.

7. Procedure -

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

Finding -

The PVA overspent his budget in the 100 account series by \$2,027, and his overall budget by \$122.

PVA's Response: I failed to show additional income from the sale of map cards and property cards in an amended 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, approved, and support the hours worked.

9. Procedure -

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

Finding -

Not applicable; there was no change in PVA.

10. Procedure -

For PVA office employees hired between July 1, 2016 and June 30, 2017, determine if the Ethics Certification Form has been completed and is on file.

Finding -

The PVA has the completed Ethics Certification Form on file for employees hired between July 1, 2016 and June 30, 2017.

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(Continued)

11. Procedure -

Determine if the 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 PVA followed the proper procedures and completed the appropriate form for the days the office was closed 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

March 22, 2018