



Auditor of Public Accounts
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Harmon Releases Agreed-Upon Procedures Engagement of Former Christian County Sheriff's Office

FRANKFORT, Ky. – State Auditor Mike Harmon today released the 2018 agreed-upon procedures engagement of former Christian County Sheriff Lewis “Livy” Leavell, Jr. 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 former Christian County Sheriff applied for and received approval from the Auditor of Public Accounts (APA) to obtain an AUP engagement for calendar year 2018 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 former Christian County Sheriff, on receipts and disbursements, excess fees, recordkeeping, and leases, contracts, and liabilities for the period January 1, 2018 through December 31, 2018.

The following exceptions were identified during the AUP engagement:

- **The former sheriff’s fourth quarter financial statement did not agree to the former sheriff’s receipts and disbursements ledgers. Receipts varied by \$945,153. The former bookkeeper failed to include on her receipts ledger \$1,045,000 received from**

fiscal court in December 2018. Additionally, the former bookkeeper failed to include year-end receipts of \$99,847 on the fourth quarter financial statement.

Former Sheriff's Response: The amount was included in the year end quarterly report to the State. However it was left off the monthly ledger. The year-end receipts were received after closing.

- **Amounts reported on the former sheriff's annual asset forfeiture report did not agree to amounts deposited. The amounts deposited were more than the amounts reported on the annual asset forfeiture report by \$1,493.**

Former Sheriff's Response: No response

- **Two credit card disbursements were not properly supported with itemized invoices and \$89 was paid in sales tax on credit card purchases.**

Former Sheriff's Response: No 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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