



Auditor of Public Accounts  
Mike Harmon

**FOR IMMEDIATE RELEASE**

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**Harmon Releases Audit of Harrison County Fiscal Court**

**FRANKFORT, Ky.** – State Auditor Mike Harmon has released the audit of the financial statement of the Harrison County Fiscal Court for the fiscal year ended June 30, 2018. State law requires annual audits of county fiscal courts.

Auditing standards require the auditor’s letter to communicate whether the financial statement presents fairly the receipts, disbursements, and changes in fund balances of the Harrison County Fiscal Court in accordance with accounting principles generally accepted in the United States of America. The fiscal court’s financial statement did not follow this format. However, the fiscal court’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 115 of 120 fiscal court audits in Kentucky.

As part of the audit process, the auditor must comment on noncompliance with laws, regulations, contracts, and grants. The auditor must also comment on material weaknesses involving internal control over financial operations and reporting.

The audit contains the following comment:

**The Harrison County Fiscal Court did not advertise for bids for ambulance services:** Harrison County Fiscal Court entered into an agreement with a vendor for the period July 1, 2015 through June 30, 2018, to provide ambulance services for Harrison County without advertising for bids. For Fiscal Year 2018, the county paid an annual subsidy to the company in the amount of \$225,000. The county was not aware that bidding was required for the ambulance service due to the vendor having the Certificate of Need for Harrison County. By not ensuring that proper bidding procedures were followed prior to authorization and payment of invoices exceeding \$20,000, the county was not in compliance with KRS 424.260. In addition, competitive bidding ensure that the county procures materials and services at the best available price. By limiting competition, the county may not get this benefit.

KRS 424.260 states, “[e]xcept where a statute specifically fixes a larger sum as the minimum for a requirement of advertisement for bids, no city, county, or district, or board or commission of a city or county, or sheriff or county clerk, may make a contract, lease, or other agreement for materials, supplies except perishable meat, fish, and vegetables, equipment, or for contractual services other than professional, involving an expenditure of more than twenty thousand dollars (\$20,000) without first making newspaper advertisement for bids.”

We recommend the fiscal court follow KRS 424.260 for bidding ambulance services.

*County Judge/Executive’s Response: We plan to bid within next six months if [vendor] is not liquidated.*

The audit report can be found on the [auditor’s website](#).

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