

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

**For The Period
July 1, 2011 Through June 30, 2012**



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AUDITOR OF PUBLIC ACCOUNTS

Independent Accountant's Report

Lori H. Flanery, Secretary, Finance and Administration Cabinet
The Honorable Ronnie Moses,
Whitley County Property Valuation Administrator

We have performed the procedures enumerated below, which were agreed to by the Whitley 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, 2011 through June 30, 2012. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the Whitley County PVA. 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, 2012), for all bank accounts, to determine if amounts are accurate.

Finding -

The PVA does not have a receipt ledger or a disbursement ledger. The PVA reconciles bank records to the checkbook each month. The year-end bank reconciliation as of June 30, 2012 was accurate.

PVA's Response - Will install Quicken 2-15-13 and have class scheduled.



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2. Procedure -

Confirm any and all payments by the city to the PVA. Compare recorded city receipts to confirmed payment amounts obtained from city governments. Also review the list of city receipts for completeness.

Finding -

City payments have been confirmed and were deposited by the PVA. List of city receipts is complete.

3. Procedure -

Confirm any and all payments made by the fiscal court to the PVA. Compare the budgeted statutory contribution by 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 -

The budgeted statutory contribution made by Fiscal Court agreed to the legally required amount calculated by the Department of Revenue and was traced to the PVA's local bank accounts.

4. Procedure -

Judgmentally select 15 disbursements from PVA records and agree amounts to cancelled checks, paid invoices or other supporting documentation. Determine if the expenditure is for official business. Review all credit card statements (if any) to determine if expenditures are for official business.

Finding -

The disbursements tested agreed to cancelled checks, paid invoices or other supporting documentation and appear to be for official business. The auditor noted that PVA went over the messaging plan for his cell phone and had \$43.60 in text messaging for one month. Review of the credit card statements determined expenditures appear to be for official business.

PVA's Response - No longer use PVA cell phone, but will reimburse PVA for text because cannot say for sure they were not personal.

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5. Procedure -

Compare capital outlay disbursements with cancelled checks, supporting documentation, and proper purchasing procedures. Verify the location of newly acquired assets. Determine if assets were added to the PVA's Capital Asset Inventory List.

Finding -

The PVA purchased two counters during fiscal year 2012. Although, the PVA has a capital asset inventory list, these counters were not included. The PVA will update the capital asset list to include this purchase.

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 -

Review of vehicle lease agreement, copier lease agreement, postage machine lease agreement, software maintenance agreement, and GPS Mapping Technical Support agree to cost schedules, are for official business, and are properly authorized

7. Procedure -

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

Finding -

The auditor was unable compare the PVA's final budget to actual expenditures because the PVA did not maintain a disbursements ledger.

PVA's Response - Installing Quicken.

8. Procedure -

Determine whether collateral is necessary for the PVA's funds. If necessary determine if a collateral agreement exists.

Finding -

Collateral and a collateral agreement are not necessary for the PVA's funds since the highest daily balance did not exceed the FDIC limitation.

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9. Procedure -

Determine whether timesheets are completed, maintained, approved, and support hours worked.

Finding -

Timesheets are completed, maintained, approved, and support the hours worked.

10. Procedure -

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

Finding -

This procedure is not necessary since there was not a change in PVA.

11. Procedure -

For newly hired employees, hired during July 1, 2011 through June 30, 2012 in the PVA's office, determine if the Ethics Certification Form has been completed and is on file.

Finding -

There were no newly hired employees during July 1, 2011 through June 30, 2012.

12. 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's office was closed on two and one half days in addition to the State's approved holidays. The PVA failed to notify the Department of Revenue of the closing for these days. The PVA did have documentation from the County Judge Executive about the courthouse being closed on these days. Employees did use leave time for these closures.

PVA's Response - Will submit paperwork to PVA Fiscal Personnel.

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We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion 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. 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 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 "Adam H. Edelen", with a long horizontal flourish extending to the right.

Adam H. Edelen
Auditor of Public Accounts

February 14, 2013