



**MIKE HARMON**  
**AUDITOR OF PUBLIC ACCOUNTS**

March 28, 2022

The Honorable Kevin Neal  
Marshall County Judge/Executive  
1101 Main St  
Benton, KY 42025

RE: Fiscal Year 2022 Fiscal Court Audit – CPA Approval

Dear Judge Neal:

In response to your recent request, we hereby decline to conduct the above referenced audit due to current resource limitations and approve your employing a private certified public accounting (CPA) firm to conduct this audit. The Auditor of Public Accounts does not recommend or endorse any CPA firms to perform audit work for state or local agencies. We do recommend you consider the following factors when selecting a CPA firm:

- The Kentucky Society of Certified Public Accountants' website provides information on CPA firms by county, industry, and service. In addition, they offer tips on selecting a firm. [http://www.kycpa.org/cpa\\_referral](http://www.kycpa.org/cpa_referral)
- The Kentucky Board of Accountancy has a consumer guide and maintains a list of licensed firms. The board can also advise you if a firm you are considering has any complaints or disciplinary issues. <http://cpa.ky.gov>
- We recommend you request a copy of the firm's most recent peer review as part of your evaluation process.

After an audit is complete, the CPA firm should send our office a draft report and contact Jim Royse, Executive Director, Office of Local Government Audits, at 502-564-5841, or by e-mail at [James.Royse@ky.gov](mailto:James.Royse@ky.gov) to make arrangements for our office to perform a review of the working papers and the report draft. **THIS AUDIT MUST BE IN COMPLIANCE WITH OUR FISCAL COURT AUDIT GUIDE, WHICH IS ESTABLISHED UNDER THE AUTHORITY OF KRS 43.075.** As soon as this review is completed and the report is approved, we will issue our final approval for your engagement. The CPA firm may then proceed to issue its audit report. This will ensure that the engagement has been performed in accordance with the standards promulgated by this office, and more importantly that the report is uniform with that for all the other counties in Kentucky.

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AN EQUAL OPPORTUNITY EMPLOYER M/F/D



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We estimate the cost of our review may fall within a range of \$950 to \$1,700, and this applicable charge will be billed to your county.

Pursuant to KRS 64.810, your contract with the CPA firm shall include the following:

1. Our office must review the certified public accountant's work papers prior to the release of the audit report.
2. The audit must be completed in conformance with the Audit Guide for Fiscal Court Audits.
3. The certified public accountant must forward a copy of the independent auditor's report and internal control and compliance letters to the fiscal court and our office no later than February 1.

KRS 64.810(4) states that after our preliminary review of the certified public accountant's work papers, should discrepancies be found and are not corrected, then we may conduct our own audit, and charge the county for the expense of such audit. Please be aware that we consider, as a "discrepancy," any audit by a certified public accountant that has not been timely completed by February 1 following the year being audited, as mandated by KRS 64.810(3)(a). Thus, if the certified public accountant performing the audit does not complete the audit by February 1 following the year being audited, we may choose to perform the audit ourselves, and charge you for this audit, as allowed by law.

Also the county should ensure the CPA completes the audit by any single audit deadline, continuing disclosure deadline for debt agreements, or other applicable audit deadline.

Our copy of the final report should be unbound and unstapled. Also, we have determined it would be a valuable public service to include audits performed by private CPA firms under direct contract with the fiscal court, sheriff, or county clerk on the website. We want the audit reports prepared by the CPA to be favorably presented to the public. In order to do this please provide to our office a copy of the final report in Adobe PDF and email to [Tim.Gutman@ky.gov](mailto:Tim.Gutman@ky.gov). This report should include spreadsheets, charts, your CPA firm's letterhead, and electronic signatures where required. If your firm does not have the capability to transmit a pdf copy, you may mail a hard copy to our office.

If your accounting firm has any questions concerning procedures or legal requirements, please ask them to call Jim Royse, Executive Director, Office of Local Government Audits, at 502.564.5841.

If I may be of any assistance to you, I hope you will not hesitate to call me.

Thanks and God Bless,



Mike Harmon  
Auditor of Public Accounts