

64.810 Annual audit of books of fiscal court or county office by certified public accountant, if auditor declines to perform audit -- Procedure.

- (1)
 - (a) Any fiscal court, county clerk, or sheriff may employ a certified public accountant to audit the books, accounts, and papers of the county or his office in lieu of the audit conducted by the State Auditor of Public Accounts required by KRS 43.070, if the Auditor of Public Accounts declines to perform the audit or has failed to respond to written notice of intent to employ a certified public accountant within thirty (30) days of receipt of the notice.
 - (b) In the case of a documented emergency requiring an immediate audit which the Auditor of Public Accounts cannot complete within the requested deadline, the Auditor of Public Accounts shall authorize the fiscal court, the county clerk, or sheriff to engage a certified public accountant to complete the emergency audit. A certified public accountant may be engaged to conduct an emergency audit only after guaranteeing in writing to the Auditor of Public Accounts that the audit and audit report will be finished within the deadline originally requested of the Auditor of Public Accounts. The fiscal court shall bear the full cost of any county audit conducted pursuant to this paragraph. The county clerk or the sheriff shall bear the full cost of any audit of his office conducted pursuant to this paragraph, from funds received or collected by him, and the cost of the audit shall be construed as an expense of his office. Audits conducted pursuant to this paragraph shall be subject to the provisions of subsections (4) and (5) of this section.
- (2) A fiscal court which has elected to employ a certified public accountant pursuant to subsection (1)(a) of this section shall notify the State Auditor in writing by July 31 following the fiscal year to be audited of the name of the certified public accountant it has employed. The fiscal court shall bear the full cost of any audit conducted pursuant to this section. An elected official who has elected to employ a certified public accountant pursuant to subsection (1)(a) of this section shall:
 - (a) Notify the fiscal court and the State Auditor in writing by January 30 following the calendar year to be audited of the name of the certified public accountant employed by said official to audit the books, accounts, and papers of his office; and
 - (b) Bear the cost of the audit from funds received or collected by him, and the cost of the audit shall be construed as an expense of his office.
- (3) Any contract with a certified public accountant entered into pursuant to subsection (1)(a) of this section shall specify the following:
 - (a) The audit of a county official shall be completed by August 1 following the calendar year being audited, and the audit of a county budget shall be completed by February 1 following the fiscal year being audited;
 - (b) The certified public accountant shall forward a copy of the fee officer audit report and management letters to the county official, fiscal court of the county, and the Auditor of Public Accounts upon completion of the audit, and no later than August 1 following the calendar year being audited;

- (c) The certified public accountant shall forward a copy of the county budget audit report and management letters to the fiscal court of the county and the Auditor of Public Accounts upon completion of the audit and no later than February 1 following the fiscal year being audited; and
 - (d) The Auditor of Public Accounts shall have the right to review the certified public accountant's work papers before and after the release of the audit.
- (4) After preliminary review of the certified public accountant's work papers, should discrepancies be found, the Auditor of Public Accounts shall notify the fiscal court or fee official of the discrepancies. Should the certified public accountant not correct such discrepancies prior to the release of the audit, the Auditor's office may conduct its own audit to verify the findings of the certified public accountant's report. If such audit is conducted, the expenses to said county or county official, as directed by KRS 43.070(4) shall be construed as an allowable expense of office. If the audit conducted by the Auditor of Public Accounts discloses discrepancies in the audit by the certified public accountant, the findings of the Auditor of Public Accounts shall be deemed official for purposes of collection of money owed the county pursuant to KRS 64.820.
- (5) No later than February 1 following the fiscal year being audited, or August 1 following the calendar year being audited, the fiscal court or county official shall submit the accountant's written report to the Governor, the General Assembly, the Attorney General, the State Librarian, and county attorney of his county. In addition the fiscal court or the official shall send the report to the newspaper having the largest paid circulation in the county, and the letter of transmittal accompanying the report shall be published in said newspaper in accordance with the provisions of KRS Chapter 424.
- (6) This section shall not be construed as eliminating the requirement that the books, accounts, and papers of the above-named officials be audited yearly.

Effective: July 14, 1992

History: Amended 1992 Ky. Acts ch. 331, sec. 1, effective July 14, 1992. -- Amended 1986 Ky. Acts ch. 51, sec. 3, effective July 15, 1986. -- Amended 1984 Ky. Acts ch. 111, sec. 45, effective July 13, 1984. -- Amended 1982 Ky. Acts ch. 121, sec. 2, effective July 15, 1982; and ch. 393, sec. 40, effective July 15, 1982. -- Amended 1976 (1st Extra. Sess.) Ky. Acts ch. 14, sec. 43; and ch. 20, sec. 6, effective January 2, 1978. -- Amended 1976 Ky. Acts ch. 329, sec. 2. -- Created 1974 Ky. Acts ch. 254, sec. 10.