



**Auditor of  
Public Accounts  
Allison Ball**

# Breathitt County Clerk's Fee Account Audit

**FRANKFORT, Ky.** – State Auditor Allison Ball released the audit of the 2024 financial statement of Breathitt County Clerk Becky Curtis. State law requires the auditor to conduct annual audits of county clerks and sheriffs.

Auditing standards require the auditor's letter to communicate whether the financial statement presents fairly the receipts, disbursements, and excess fees of the Breathitt County Clerk in accordance with accounting principles generally accepted in the United States of America. The clerk's financial statement did not follow this format. However, the clerk'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 all 120 clerk audits in Kentucky.

## **Finding: Lacks adequate segregation of duties over the receipts, disbursements, and reconciliation process ledgers.**

The Breathitt County Clerk does not have adequate segregation of duties over the receipts, disbursements, and reconciliation process. One employee collected cash, prepared a daily checkout sheet, and compiled a total daily checkout sheet. Another employee prepares checks, prepares state reports, posts to the receipts and disbursements ledger, and prepares the quarterly report. The clerk's office implemented compensating controls with documented review of the accounting procedures within their operations, but the controls were not effective enough to detect errors. A lack of segregation of duties existed over the accounting and reporting functions of the county clerk's office because a limited number of employees were available to properly segregate these job duties. Although compensating controls were in place, they were not effective.

## **Recommendations**

We recommend the county clerk segregate duties. If segregation of duties is not feasible due to a lack of staff, the county clerk should implement and document compensating controls that are strong enough to detect errors to offset this control deficiency.

## **County Officials Response**

*County Clerk's Response: We will look for ways to improve segregation of duties with our limited staff size.*

The county clerk's responsibilities include collecting certain taxes, issuing licenses, maintaining county records, and providing other services. The clerk's office is funded through statutory fees collected in conjunction with these duties.

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

