



**Auditor of
Public Accounts
Allison Ball**

Fleming County Clerk's Fee Account Audit

FRANKFORT, Ky. – State Auditor Allison Ball released the audit of the 2024 financial statement of Fleming County Clerk Jarrod Fritz. 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 Fleming 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: Does not have adequate segregation of duties.

This is a repeat finding and was included in the prior year audit report as finding 2023-001. The Fleming County Clerk's Office does not have adequate segregation of duties. A deputy clerk prepares the bank reconciliations. The deputy initials the statement when completed, but there is no documentation of review by the county clerk. The county clerk or one of two deputies prepares checks for all disbursements and posts to the disbursement's ledger. There is no documentation that this work is reviewed. The county clerk and two deputies are the authorized check signers and only one signature is required on checks. If the county clerk does not sign the check, both deputies sign it. According to the county clerk, the clerk's office has a small budget which limits the number of employees he can hire. The lack of adequate segregation of duties can result in undetected misstatements and inaccurate financial reporting.

Recommendations

We recommend the county clerk segregate duties or implement strong compensating controls to mitigate risks. If duties cannot be adequately segregated due to a limited number of staff, compensating controls are recommended. We recommend the county clerk implement compensating controls, such as:

- The county clerk should review the deputy clerk's bank reconciliations for accuracy and compare them to the ledgers and ending financial statement balances.
- The county clerk or another deputy should review disbursements ledger postings.
- The reviews should be documented in writing, detailing who performed the reconciliation and review.

County Clerk's Response: The county clerk did not provide a response.

County Officials Response

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](#).

