



MIKE HARMON
AUDITOR OF PUBLIC ACCOUNTS

July 27, 2021

Secretary Holly M. Johnson
Finance and Administration Cabinet
Department for Facilities and Support Services
Chairs of the Capital Projects and Bond Oversight Committee

As Auditor of Public Accounts, I am pleased to transmit herewith the report of our examination relating to compliance with the lease laws for the years ended June 30, 2020, and June 30, 2021, made pursuant to KRS 43.050(2)(e).

On behalf of the Office of State Government Audits and Technology of the Auditor of Public Accounts, I wish to thank the employees of the Department for Facilities and Support Services for their cooperation during the course of our examination. Should you have any questions concerning this report, please contact Jason Johnson, Executive Director, Office of State Government Audits and Technology.

Respectfully submitted,

A handwritten signature in cursive script that reads "Farrah Petter".

Farrah Petter, CPA
Assistant Auditor of Public Accounts



**REPORT OF THE EXAMINATION OF
LEASE LAW COMPLIANCE**

**Made Pursuant To
KRS 43.050(2)(e)**

**For The Years Ended
June 30, 2020, and June 30, 2021**



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MIKE HARMON
AUDITOR OF PUBLIC ACCOUNTS

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Independent Accountant's Report

We have examined real property leases awarded by the Finance and Administration Cabinet (FAC) for compliance with KRS 48.111 and 56.800 through 56.823, Kentucky's Lease Law, for fiscal years ended June 30, 2020, and June 30, 2021. FAC's management is responsible for compliance with the requirements of Kentucky's Lease Law. Our responsibility is to express an opinion on management's compliance with Kentucky Lease Law based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether FAC complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether FAC complied with Kentucky's Lease Law. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance whether due to fraud or error. In making an assessment of the risks of material noncompliance, we considered and obtained an understanding of internal control relevant to the subject matter in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. Accordingly, no such opinion is expressed. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on FAC's compliance with specified requirements.

In our opinion, FAC complied, in all material respects, with Kentucky's Lease Law during fiscal years ended June 30, 2020, and June 30, 2021.

Respectfully submitted,

Farrah Petter, CPA
Assistant Auditor of Public Accounts

July 27, 2021

