

ACTS OF THE GENERAL ASSEMBLY  
CHAPTER 199

**22. AUDITOR OF PUBLIC ACCOUNTS**

	2021-22	2022-23	2023-24
General Fund	689,100	11,608,700	11,335,300
Restricted Funds	-0-	10,920,400	10,920,000
TOTAL	689,100	22,529,100	22,255,300

**(1) Audit Services Contracts:** Notwithstanding KRS 45.149, no state agency shall enter into any contract with a nongovernmental entity for audit services unless the Auditor of Public Accounts has declined in writing to perform the audit or has failed to respond within 30 days of receipt of a written request for such services. The agency's request for audit services shall include a comprehensive statement of the scope and nature of the proposed audit.

**(2) Kentucky State University Special Examination:** Included in the above General Fund appropriation is \$50,000 in fiscal year 2021-2022 and \$150,000 in fiscal year 2022-2023 to provide funds for a special examination of Kentucky State University.

**(3) Financial Audit Receipts:** The Auditor of Public Accounts shall provide a listing of fee receipts for all audits and special examinations, itemized by type, agency, or unit of government, as well as billing methodology to the Interim Joint Committee on Appropriations and Revenue by August 1 of each fiscal year.

**(4) Salary Increment:** Notwithstanding KRS 64.480(2), the increment provided on the base salary of the Auditor of Public Accounts shall be the same as that provided for eligible state employees in Part IV of this Act.

**(5) Outlier Audit Assistance Program:** Included in the above General Fund appropriation is \$500,000 in fiscal year 2022-2023 and \$250,000 in fiscal year 2023-2024 to support the establishment of the Outlier Audit Assistance Program. Beginning with fiscal year 2018-2019, the Auditor of Public Accounts shall calculate the annual average cost of audits conducted pursuant to KRS 43.070(1)(a)2. by audit type. Beginning with audits billed during fiscal year 2019-2020 or thereafter, any such audit with a cost exceeding the threshold of 150 percent of the average cost for its type in the preceding fiscal year shall be deemed an outlier audit. If a county has paid the cost of the outlier audit up to the amount of the threshold set out in this subsection, the county shall be eligible for a credit from the Outlier Audit Assistance Program for audit costs that exceed the threshold. For every audit qualifying for disbursement, the auditor shall provide a detailed report for the reason for the outlier expense to the Interim Joint Committee on Appropriations and Revenue by August 1 of each fiscal year. Notwithstanding KRS 45.229, these funds shall not lapse and shall carry forward.

**(6) Lost Revenue Replacement:** Included in the above General Fund appropriation is \$2,250,000 in each fiscal year to replace lost revenue related to audit billings for county officials. Notwithstanding KRS 43.070(3), during the 2022-2024 fiscal biennium, counties shall bear one-half of the actual expense of audits conducted pursuant to KRS 43.070(1)(a)2. and (2)(a).