



MIKE HARMON
AUDITOR OF PUBLIC ACCOUNTS

July 20, 2023

Representative Adam Bowling and Senator Brandon Storm
Co-Chairs
Legislative Oversight and Investigations Committee
State Capitol
700 Capital Avenue
Frankfort KY 40601

Re: Special Examination (Team Western Kentucky Tornado Relief Fund and Team Eastern Kentucky Flood Relief Fund)

Dear Representative Bowling and Senator Storm:

In response to your letter to Auditor Harmon dated July 17, 2023, please be advised that pursuant to your request and the statutory authority referenced therein, the Auditor of Public Accounts (APA) will conduct a special examination of the Public Protection Cabinet's acceptance, administration, and expenditure, of monies associated with, or pertaining to, the Team Western Kentucky Tornado Relief Fund and the Team Eastern Kentucky Flood Relief Fund (hereinafter the "Funds") as well as any related predecessor or successor funds. The time period covered by the examination will be December 11, 2021 through June 30, 2023. Additionally, at its discretion, the APA may expand the subject areas or duration of this examination to address high risk areas identified during our work.

The APA will bill the Public Protection Cabinet rather than the Funds, so that the people of the Commonwealth can be assured that no money donated for flood or tornado relief will be used to pay for the special examination. APA will bill the Public Protection Cabinet at an hourly rate of \$84 per hour for actual hours worked, plus any travel costs incurred. A preliminary estimate of the cost based upon an initial workplan projection of the special examination can be provided once planning procedures are complete.

After the special examination has been completed, APA will issue a report that describes any weaknesses or deficiencies identified and offer recommendations to strengthen and improve internal controls and procedures. Pursuant to KRS 43.090, the Public Protection Cabinet, the state



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agency administering the Funds, will be required to respond in writing to the draft report within fifteen days of receipt and to provide a corrective action plan to the APA and the state legislature within sixty days of the completion of the final examination report.

If you have any questions or concerns, please contact me, or Jason Johnson, Executive Director, at 502-564-5841.

Sincerely,

A handwritten signature in blue ink, reading "Farrah Petter". The signature is written in a cursive style with a large initial "F".

Farrah Petter, CPA
Assistant Auditor of Public Accounts

Cc: Ray A. Perry, Secretary, Kentucky Public Protection Cabinet