

News

# Auditor's office gives GRADD good review

By James Mayse Messenger-Inquirer  
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State Auditor of Public Accounts Mike Harmon gave the Green River Area Development District a largely positive review Wednesday when he presented the results of an 11-month audit his office conducted of the agency.

In 2017, a law was passed that allows the state auditor's office to conduct audits of Area Development Districts (ADDs). The report Harmon presented to the GRADD board is the first audit his office has conducted under the 2017 law.

Harmon said his office reviews audits conducted on Area Development Agencies, but that the agency decided to audit GRADD and the Barren River Area Development District this year.

"We reached the point where the time was right to do a few audits" of Area Development Districts, Harmon said.

Having the auditor's office conduct audits of some ADDs each year will "increase transparency and accountability," he said.

"I think everyone will benefit in the long run with the Auditor of Public Accounts doing a few audits of ADDs each year," Harmon said.

Henderson County Judge-Executive Brad Schneider, chairman of the GRADD board of directors, said the agency welcomed the audit.

"We always considered GRADD to be the gold standard," Schneider said.

The audit is for Fiscal Year 2021-22, which ended June 30, and staff members from the auditors office spent about 11 weeks working with GRADD staff.

The audit includes two findings, which an official with Harmon's office attributed to errors, while saying GRADD had done "overall, a very good job" of tracking the state and federal funding programs it administers.

Harmon's office found a Federal Revolving Loan had been miscalculated and that funds were included as expended in 2021 that weren't expended until fiscal year 2022, which began in July.

GRADD officials acknowledged the error in their report.

GRADD officials also reported receiving income from the a CARES Act revolving loan fund, incorrectly reporting as income the total amount of CARES funds received and expended. The agency did not receive any CARES Revolving Loan Fund income. The error has been corrected, the audit says.

Harmon said GRADD's audit "was considered a clean audit, an unmodified audit."

Daviess County Judge-Executive Al Mattingly, a member of the GRADD board of directors, said the audit found no wrongdoing by GRADD officials.

“If you look at it, there was no finding of malfeasance whatsoever,” Mattingly said. “We are proud to be the first ADD to be audited, and to have come out so well.”

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