42.0201 Office of the Controller.

(1) There is created within the Finance and Administration Cabinet the Office of the Controller.

(2) The Office of the Controller shall be headed by an executive director appointed by the secretary of the Finance and Administration Cabinet with the approval of the Governor. The executive director shall function as the state controller, who shall be a person qualified by education and experience for the position and held in high professional esteem in the accounting community.

(3) The state controller shall be the Commonwealth's chief accounting officer and shall be responsible for all aspects of accounting policies and procedures, financial accounting systems, and internal accounting control policies and procedures. The Office of the Controller shall establish guidelines for state personnel administration on issues relating to paycheck distribution dates, assignment of data elements to accurately report labor costs, assignment and tracking of actual expenditures by code, and coverage issues relating to Social Security and Medicare.

(4) The state controller; the executive director of the Office of Financial Management, Finance and Administration Cabinet; and the state budget director designated under KRS 11.068 shall develop and maintain the Commonwealth's strategic financial management program.

(5) Executive directors and division directors appointed under this section shall be appointed by the secretary with the approval of the Governor.

(6) There are established in the Office of the Controller the following organizational entities:

(a) The Office of Financial Management, which shall be headed by an executive director, shall have the duties and responsibilities established in KRS 42.410, and shall serve as administrative staff to the Turnpike Authority of Kentucky. The executive director shall serve as secretary to the authority;

(b) The Office of Material and Procurement Services, which shall be headed by an executive director and shall have the duties established in KRS 42.024;

(c) The Division of Local Government Services, which shall be headed by a division director and shall be responsible for:

1. Providing property valuation administrators with fiscal, personnel, payroll, training, and other essential administrative support services;

2. Overseeing Kentucky's Social Security coverage program, including but not limited to all aspects of FICA wage reporting for state government and the Commonwealth's Social Security coverage agreement;

3. Serving as liaison between local governments and the federal Internal Revenue Service and Social Security Administration;

4. Serving as the payroll and fiscal officer for the sheriff and clerk in counties over seventy thousand (70,000) in population, disbursing various reimbursements and expenditures to local governments and

serving as liaison and conduit for all court fees associated with report of state money through the Circuit Courts;

5. Directing the federal employment tax program for state employees; and

6. Performing state government's duties relating to the county fee system for local entities;

(d) The Office of Statewide Accounting Services, headed by an executive director appointed by the secretary of the Finance and Administration Cabinet, subject to the approval of the Governor. The executive director shall report directly to the state controller. The office shall perform financial record keeping functions at the state controller's direction, and shall be responsible for the performance of the cabinet's functions outlined in KRS 45.305, 48.800, and other related statutes. There is established within the Office of Statewide Accounting Services the Division of Customer Resource Center, which shall be headed by a division director appointed by the secretary pursuant to KRS 12.050 and who shall report to the executive director of the Office of Statewide Accounting Services. The division shall be responsible for:

1. Providing a help desk for users of state government's financial and procurement system, including state employee users and vendors and payees of the Commonwealth who do, or would like to do, business with the state;

2. Training state employees in the use of state government's financial and procurement system; and

3. Assisting cabinet entities in improving the quality of their products and processes; and

(e) The Division of State Risk and Insurance Services, headed by a division director appointed by the secretary of the Finance and Administration Cabinet, subject to the approval of the Governor. The director shall report directly to the state controller and shall have the duties specified in KRS 42.0651.

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History: Amended 2012 Ky. Acts ch. 69, sec. 4, effective July 12, 2012. -- Amended 2009 Ky. Acts ch. 12, sec. 24, effective June 25, 2009. -- Amended 2005 Ky. Acts ch. 85, sec. 11, effective June 20, 2005. -- Amended 2000 Ky. Acts ch. 5, sec. 5, effective July 14, 2000; and ch. 46, sec. 5, effective July 14, 2000. -- Amended 1998 Ky. Acts ch. 85, sec. 1, effective July 15, 1998. -- Created 1994 Ky. Acts ch. 508, sec. 1, effective July 15, 1994.