



Auditor of Public Accounts
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Harmon Releases Audit of Butler County Sheriff's Office

FRANKFORT, Ky. – State Auditor Mike Harmon today released the audit of the 2017 financial statement of Butler County Sheriff Scottie Ward. State law requires the auditor to annually audit the accounts of each county sheriff. In compliance with this law, the auditor issues two sheriff's reports each year: one reporting on the audit of the sheriff's tax account, and the other reporting on the audit of the fee account used to operate the office.

Auditing standards require the auditor's letter to communicate whether the financial statement presents fairly the receipts, disbursements, and excess fees of the Butler County Sheriff in accordance with accounting principles generally accepted in the United States of America. The sheriff's financial statement did not follow this format. However, the sheriff's financial statement is fairly presented in conformity with the regulatory basis of accounting, which is an acceptable reporting methodology. This reporting methodology is followed for all 120 sheriff audits in Kentucky.

As part of the audit process, the auditor must comment on noncompliance with laws, regulations, contracts, and grants. The auditor must also comment on material weaknesses involving internal control over financial operations and reporting.

The audit contains the following comment:

The Butler County Sheriff failed to adhere to wage and hour requirements: Beginning in February 2016, deputies of the Butler County Sheriff's Office work a rotating swing schedule. It consists of three on, three off; four on, four off; and seven on, seven off. This rotating schedule, allows deputies to work 80 hours every two weeks. One week in the pay period may consist of 34 hours and the following week of 46 hours. The schedule is made up of 10 to 12 hour shifts. Overtime is only calculated if the deputy works over 80 hours in the two week pay period.

According to the sheriff, he thought as long as deputies didn't work over 80 hours for the two week pay period he wasn't obligated to pay them at time and a half. Additionally the sheriff indicated that the overtime issue was corrected as soon as he was notified in 2018. Deputies were not compensated for hours worked in excess of 40 hours in a work week at a rate of one and one-half times the hourly wage.

KRS 337.285(1) requires, "[n]o employer shall employ any of his employees for a work week longer than forty (40) hours, unless such employee receives compensation for his employment in excess of forty (40) hours in a work week at a rate of not less than one and one-half (1-1/2) times the hourly wage rate at which he is employed." Additionally, in accordance with Funk vs. Milliken, 317 S.W.2d 499 (Ky. 1958), Kentucky's highest court ruled that county fee officials' expenditures of public funds will be allowed only if they are necessary, adequately documented, reasonable in amount, beneficial to the public, and not primarily personal in nature.

We recommend the sheriff pay all employees at time and a half for all hours worked in excess of 40 hours in a work week. The sheriff should contact the county attorney and re-compute overtime amounts to determine if additional wages are due to employees.

Sheriff's Response: The Butler County Sheriff's office was not paying overtime correctly. The deputies schedules have been adjusted and overtime is now paid after 40 hours in one work week.

The sheriff's responsibilities include collecting property taxes, providing law enforcement and performing services for the county fiscal court and courts of justice. The sheriff's office is funded through statutory commissions and fees collected in conjunction with these duties.

The audit report can be found on the [auditor's website](#).

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