



Auditor of Public Accounts
Mike Harmon

FOR IMMEDIATE RELEASE

Contact: Michael Goins
Michael.Goins@ky.gov
502.564.5841
502.209.2867

Harmon Releases Audit of Grayson County Clerk's Fee Account

FRANKFORT, Ky. – State Auditor Mike Harmon today released the audit of the 2022 financial statement of Grayson County Clerk Charlotte Willis. State law requires the auditor to conduct annual audits of county clerks and sheriffs.

Auditing standards require the auditor's letter to communicate whether the financial statement presents fairly the receipts, disbursements and excess fees of the Grayson County Clerk in accordance with accounting principles generally accepted in the United States of America. The clerk's financial statement did not follow this format. However, the clerk'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 clerk audits in Kentucky.

Finding 1 of the audit report will be referred to the Kentucky Education and Labor Cabinet, Division of Wage and Hours for further review.

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 the internal control over financial operations and reporting.

The audit contains the following finding:

The Grayson County Clerk's Office is not compensating employees properly: This is a repeat finding and was included in the prior year audit report as Finding 2021-001. The Grayson County Clerk's Office pays all employees based on a set rate per pay period regardless of how many hours are recorded on their timesheets for the period. The county clerk's office employees are supposed to either work 32.5 or 37.5 hours per week on a rotating basis, with all employees working six Saturdays per year. Employees were required to use personal leave time for any time under these

requirements, but no documentation of overtime or compensatory time was noted for employees that worked more than these hours in a pay period.

By not paying employees overtime or compensatory time for any time worked over their normal work schedule, employees are not receiving the full amount of compensation for hours worked.

The Grayson County Clerk stated that her employees are salaried. The county clerk's personnel policy states that "[s]alaries are based on a 32-40 hour work week." The county clerk believes that as long as employees do not work over 40 hours per the policy, employees do not need to be compensated any further. When asked about compensatory time being awarded for any time over the 32.5 or 37.5 in any given week, the county clerk noted that employees kept up with this time and it must be claimed within the same work period.

KRS 337.320 requires that the employer keep a record of the hours worked each day and each week for employees and the amounts paid to the employees. The Grayson County Fiscal Court's Administration Code states, "[a]ny employee who works over 40 hours in a work week and would rather have their overtime hours to be converted to comp time may do so. Overtime hours will be converted to comp time at a rate of 1.5 times since they are overtime hours." Even though the county clerk's employees are not working over the forty hours a week deserving time and a half pay, straight pay compensation would still be required for any time worked over the normal scheduled hours. 803 KAR 1:061 Section 4 details that each work week stands alone. Any time worked above the scheduled hours in any given workweek must be documented and compensated without any consideration given to any other time worked in another week. KRS 337.385(1) states, in part, "any employer who pays any employee less than wages and overtime compensation to which such employee is entitled under or by virtue of KRS 337.020 to KRS 337.285 shall be liable to such employee affected for the full amount of such wages and overtime compensation, less any amount actually paid to such employee by the employer, for an additional equal amount as liquidated damages, and for costs and such reasonable attorney's fees as may be allowed by the court."

We recommend the Grayson County Clerk's Office ensure that all employees are being properly compensated for hours worked above their normal work schedules. Hours recorded on the timesheets should agree to the hours employees are compensated for each pay period. We also recommend the county clerk ensure that any compensatory time awarded is properly maintained and documented by the office for use by the employee. We will be referring this comment to the Kentucky Education and Labor Cabinet, Division of Wage and Hours.

County Clerk's Response: With our 2021 exit audit being so late in the year (September) and corrective actions not being fully explained changes were not implemented until Jan. 2023.

Compensatory time has always been given just not properly documented.

The county clerk's responsibilities include collecting certain taxes, issuing licenses, maintaining county records and providing other services. The clerk's office is funded through statutory fees collected in conjunction with these duties.

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

###

The Auditor of Public Accounts ensures that public resources are protected, accurately valued, properly accounted for, and effectively employed to raise the quality of life of Kentuckians.

Call 1-800-KY-ALERT or visit our website to report suspected waste and abuse.

