



COMPTROLLER'S INVESTIGATIVE REPORT

Greene County Sheriff's Department

May 18, 2021

Jason E. Mumpower
Comptroller of the Treasury



DIVISION OF INVESTIGATIONS



JASON E. MUMPOWER
Comptroller

May 18, 2021

Sheriff Wesley Holt
Greene County Sheriff's Department
116 E Depot Street
Greeneville, TN 37743

Sheriff Holt:

The Office of the Comptroller of the Treasury conducted an investigation of selected records of the Greene County Sheriff's Department, and the results are presented herein.

Copies of this report are being forwarded to Governor Bill Lee, the State Attorney General, the District Attorney General of the 3rd Judicial District, certain state legislators, and various other interested parties. A copy of the report is available for public inspection in our Office and may be viewed at <http://www.comptroller.tn.gov/ia/>.

Sincerely,

A handwritten signature in blue ink that reads "Jason E. Mumpower".

Jason E. Mumpower
Comptroller of the Treasury

JEM/MLC

INVESTIGATIVE REPORT

GREENE COUNTY SHERIFF'S DEPARTMENT

The Office of the Comptroller of the Treasury investigated allegations of malfeasance related to a former information technology (IT) system administrator for the Greene County Sheriff's Department (Department). The investigation was initiated after department personnel identified numerous purchases of equipment that were never received by the department. This investigation was limited to selected records for the period January 1, 2015 through January 31, 2019. The results of the investigation were communicated with the Office of the District Attorney General of the 3rd Judicial District.

BACKGROUND



Greene County is located on the eastern border of Tennessee. The Greene County Sheriff's Department operates the county jail and workhouse and serves a population of approximately 69,000 people.

The former sheriff hired Stewart Cowles as a part-time department IT system administrator. Cowles also worked as the/an IT system administrator for the Greeneville Police Department. After taking office on September 1, 2018 the current Sheriff identified numerous purchases for equipment, computer parts, and other items charged to the former sheriff's county credit card and subsequently paid for by the county office of

accounts and budgets; however, these items were never received by the department.

RESULTS OF INVESTIGATION

1. **FORMER IT SYSTEM ADMINISTRATOR STEWART COWLES IMPROPERLY USED THE SHERIFF'S DEPARTMENT COUNTY CREDIT CARD TO MAKE PERSONAL PURCHASES TOTALING AT LEAST \$29,554.14**

Investigators determined Cowles used a personal Amazon account to purchase numerous items with a sheriff's department county credit card that were unrelated to the department's IT equipment and appeared to be personal purchases totaling \$29,554.14. The purchased items were shipped to several addresses unrelated to the department's address. Below are examples of items purchased:



DroidBox \$456.94



Coleman hot tub spa \$349.97



Two Dyson hand dryers \$2,731.98



DJI quadcopter \$1,780.99



Three gift card reloads \$4,099.98



Barista Espresso Machine \$569.34



Norfolk Southern Train \$215.30



Gaming items approximately \$224

2. INVOICES PROVIDED TO THE COUNTY FOR PAYMENT WERE ALTERED

Investigators determined that numerous invoices submitted by Cowles to the county office of accounts and budgets for payment had been altered. The original invoices were for personal items and the invoice submitted had been altered to disguise the purchases as technology equipment for the department.

Shipped on January 5, 2017	
Items Ordered	Price
1 of: Cisco 24 Port POE Managed Endpoint Switch Sold by: Amazon.com LLC	\$399.00
Condition: New	
Shipping Address:	
Stewart Cowles 200 N. College St. Greeneville, TN 37745 United States	Item(s) Subtotal: \$399.00 Shipping & Handling: \$16.99 ----- Total before tax: \$415.99 Sales Tax: \$0.00 -----
Total for This Shipment: \$415.99	
Shipping Speed:	
One-Day Shipping	



Example of invoice submitted for order paid by the County totaling \$415.99 but the actual purchase was a Bose Speaker System for \$415.99 that was not for the department.

3. COWLES SUBMITTED TIMESHEETS TO THE SHERIFF'S DEPARTMENT AND THE POLICE DEPARTMENT FOR THE SAME WORK HOURS

Investigators determined that Cowles submitted numerous timesheets to the department and the Greeneville Police Department for the same work hours. Investigators reviewed Cowles' available timesheets provided by the city and the county and determined that from January 2015 to June 2018, Cowles' timesheets reflected he worked approximately 1,592.25 hours at the county and the city simultaneously. Investigators could not determine if Cowles was physically working at either place during this time. Investigator's calculated Cowles' salary for the 1,592.25 hours worked at the county and the city simultaneously at his county rate of pay over the period and totaling at least \$19,490.46.

The table below is an excerpt of Cowles' duplicate time reporting.

Date	County Start Time	County End Time	City Start Time	City End Time	Duplicate Time Charged to Both Entities	Overlap Hours
6/29/2015	6:00PM	11:00PM	10:00AM	8:00PM	6:00PM-8:00PM	2 Hours
11/10/2015	10:00AM	8:00PM	10:30AM	7:30PM	10:30AM-7:30PM	9 Hours
2/24/2016	6:00PM	11:00PM	11:00AM	7:00PM	6:00PM-7:00PM	1 Hours

5/31/2016	9:30AM	3:30PM	8:30AM	7:30PM	9:30AM-3:30PM	6 Hours
8/26/2016	10:00AM	8:00PM	9:00AM	5:00PM	10:00AM-5:00PM	7 Hours
2/2/2017	10:00AM	8:00PM	10:00AM	9:00PM	10:00AM-8:00PM	10 Hours
9/11/2017	10:00AM	9:00PM	9:00AM	5:00PM	10:00AM-5:00PM	7 Hours
5/13/2018	5:00PM	11:00PM	8:00AM	8:00PM	5:00PM-8:00PM	3 Hours
6/7/2018	6:00PM	11:00PM	10:00PM	6:00AM	10:00PM-11:00PM	1 Hours

4. COWLES IMPROPERLY ACTIVATED A COUNTY PAID CELL PHONE LINE FOR A FAMILY MEMBER COSTING \$726.03

Cowles activated an inactive phone line assigned to the department and paid for by the county for a family member. The cell phone statements associated with the line showed activity beginning April 15, 2017 through approximately June 2018, when it was de-activated by the department. The county paid \$726.03 for approximately 14 months use on this phone line.

5. COWLES CONTINUED TO USE A COUNTY PAID CELL PHONE NUMBER AFTER HE LEFT COUNTY EMPLOYMENT COSTING \$55.57

Investigators determined that Cowles used another phone number assigned to the department after his employment with the county ended on September 1, 2018. The cost of the usage of this line was approximately \$55.57.

The total misappropriations for the personal/non-department related purchases, improper time reporting, family member's cell phone usage, and Cowles' unauthorized phone number is presented below:

Issue	Amount
Personal/Non-Department Related Purchases	\$29,554.14
Duplicate Time Reporting	\$19,490.46
Cell Phone – Family Member	\$ 726.03
Cell Number – Cowles	\$ 55.57
Total	<u>\$49,826.20</u>

On May 14, 2021, in Greene County Criminal Court, David Cowles pled guilty to one count of Theft over \$10,000.

[Greene County Sheriff's Department Investigation Exhibit](#)

INTERNAL CONTROL AND COMPLIANCE DEFICIENCIES

Our investigation revealed deficiencies in internal controls, some of which contributed to Cowles' ability to purchase personal items with the county's credit card, duplicate time reporting, and abuse the use of county paid cell phones without prompt detection. These deficiencies included:

Deficiency 1: The county office of accounts and budgets paid invoices without documentation that goods had been received.

The county office of accounts and budgets paid invoices without documentation that goods had been received. This practice weakens controls over the purchasing process and increases the risks of paying for something that was not received.

Deficiency 2: Management did not provide adequate oversight of operations.

Management at the department and the county did not provide adequate oversight and did not establish appropriate internal controls. Management is responsible for designing internal controls to give reasonable assurance of the reliability of financial reporting and of the effectiveness and efficiency of operations. The lack of oversight contributed to their failure to promptly identify the improper transactions.

Department officials indicated that they have corrected or will correct these deficiencies.
