



**STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DIVISION OF INVESTIGATIONS
FINANCIAL AND COMPLIANCE UNIT**

Justin P. Wilson
Comptroller of the Treasury

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October 16, 2013

Fred Birmingham, County Court Clerk
Madison County
100 East Main Street, Suite 103
Jackson, TN 38301

Dear Mr. Birmingham:

The Madison County Clerk contacted our office on June 29, 2012, after becoming aware of some suspicious title registration transactions performed by a former deputy clerk in the office. The county clerk discovered that the former deputy clerk had processed several title registrations and deleted these transactions on the same day. These same transactions were reprocessed at later dates. As a result of this suspicious activity, we conducted an investigation of the county clerk's office for the period July 1, 2010, through July 24, 2012. These findings and recommendations have been reviewed with management to provide an opportunity for their response. These findings and recommendations will be reviewed with the district attorney general.

INVESTIGATIVE FINDING

1. **FINDING:** A former deputy clerk diverted and later replaced \$4,248.13 of cash transactions from the office

During the period September 3, 2010, through March 22, 2012, our investigation revealed that a former deputy clerk improperly deleted 15 cash transactions for title registrations in the amount of \$4,248.13. In addition, for the period October 19, 2010, through July 5, 2012, the former deputy clerk reprocessed and paid back the cash from these 15 title registration transactions using personal funds.

On July 24, 2012, we interviewed the former deputy clerk. During the interview, the former deputy clerk advised us that she deleted title registration transactions that were paid for with cash and used this cash for personal use. The former deputy clerk also advised that she forged the names of customers to 2 of the 15 title registration transactions that she reprocessed at later dates. The former deputy clerk retired from the clerk's office effective July 24, 2012.

If you have any questions regarding this matter, please contact me.

Sincerely,

A handwritten signature in black ink that reads "Kevin B. Huffman".

Kevin B. Huffman, CPA, CFE, CGFM
Investigative Audit Manager
Division of Investigations
Financial and Compliance Unit