



STATE OF TENNESSEE  
**COMPTROLLER OF THE TREASURY**  
DEPARTMENT OF AUDIT  
DIVISION OF COUNTY AUDIT  
SUITE 1500  
JAMES K. POLK STATE OFFICE BUILDING  
NASHVILLE, TENNESSEE 37243-1402  
PHONE (615) 401-7841

June 1, 2010

The Honorable Gayle Ray, Commissioner, Department of Correction  
The Honorable Michael Hudson, Sequatchie County Executive  
The Honorable Ronnie Hitchcock, Sequatchie County Sheriff

To the Commissioner, County Executive, and Sheriff:

Our office recently completed a review of Sequatchie County's participation in the County Correctional Incentive Program for the year ended June 30, 2008.

The findings and recommendations and the summary of adjustments to days, as a result of our review, are presented in detail in the enclosed report. The following is a summary of the results of our review:

1. The total inmate population was not accurately determined and reported to the state.
2. Felon days were not accurately determined and reported on the monthly State Prisoner (Convicted Felon) Report.
3. As a result of our review, we discovered 932 overreported felon days. The net effect of these adjustments resulted in an overpayment of \$32,620 to Sequatchie County. Since this overpayment was after the final cost settlement, an adjustment should be made in subsequent monthly payments.

Please contact me if you have any questions regarding our review of Sequatchie County's participation in the County Correctional Incentive Program.

Sincerely,

A handwritten signature in black ink, appearing to read "James R. Arnette".

James R. Arnette, Director

cc: Judith Lambert, Judicial Cost Accountant

**SEQUATCHIE COUNTY, TENNESSEE  
REPORT ON THE REVIEW OF THE  
COUNTY CORRECTIONAL INCENTIVE PROGRAM  
FOR THE YEAR ENDED JUNE 30, 2008**

This report reviews Sequatchie County's participation in the County Correctional Incentive Program for the year ended June 30, 2008.

As a result of our review, we discovered 932 overreported felon days. The net effect of these adjustments resulted in an overpayment of \$32,620 to Sequatchie County. Since this overpayment was after the final cost settlement, an adjustment should be made in subsequent monthly payments.

The objectives of the review were:

1. to determine if prisoners were properly listed on the State Prisoner (Convicted Felon) Reports,
2. to determine if inmates were accurately reported on the Correction Facility Summary Reports, and
3. to recommend appropriate actions to correct any deficiencies.

**SCOPE OF THE REVIEW**

In performing our review, we evaluated procedures related to the counting and reporting of the total inmate population as reported on the Correction Facility Summary Reports and the Final Cost Settlement Report. We also performed testwork on selected days to determine that the number of prisoners reported on the cost reports agreed with counts of prisoners actually incarcerated at the facility.

In addition, we tested the proper classification of convicted felons listed on the State Prisoner Reports to ensure accurate reporting to the state. Testwork included tracing information from the reports to the actual case files to verify the listed offenses, trial dates, and incarceration periods.

## **FINDINGS AND RECOMMENDATIONS**

The findings and recommendations, as a result of our review, are presented below. We reviewed these findings and recommendations with management to provide an opportunity for their response; however, management did not provide responses for inclusion in this report.

### **FINDING 1            THE TOTAL INMATE POPULATION WAS NOT ACCURATELY DETERMINED AND REPORTED**

Sequatchie County did not accurately count and assess the total inmate population as reported to the state on the Correction Facility Summary Reports (CSFRs) and on the Final Cost Settlement Report. We discovered 118 overreported inmate days. The total inmate population plays a critical role in determining the county's total cost per inmate day.

#### **RECOMMENDATION**

Management should ensure that the total inmate population is reported accurately on the monthly CSFRs and the Final Cost Settlement Report submitted to the Tennessee Department of Correction.

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### **FINDING 2            TOTAL FELON DAYS WERE NOT ACCURATELY DETERMINED AND REPORTED**

Sequatchie County did not accurately count and assess the total felon days as reported to the state on the State Prisoner (Convicted Felon) Reports. As a result, we could not determine if Sequatchie County had properly reported felon days for the year. We reviewed 25 inmate files for proper reporting. Of the 25 files examined, we discovered that Sequatchie County had overreported 932 felon days.

#### **RECOMMENDATION**

Management should ensure that felon days are reported accurately to the Tennessee Department of Correction on the State Prisoner (Convicted Felon) Reports. Sequatchie County should review all of the State Prisoner (Convicted Felon) Reports for 2008 and forward.

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**SEQUATCHIE COUNTY, TENNESSEE  
SUMMARY OF ADJUSTMENTS  
FOR THE YEAR ENDED JUNE 30, 2008**

The following is a summary of adjustments made to the days as settled in the desk review by the Tennessee Department of Correction. The adjustments, as a result of our review, are discussed in detail in the Findings and Recommendations section.

	Inmate Days	Felon Days
As Settled in the 2008 Desk Review	34,273	17,936
Overreported Felon Days		(932)
Overreported Inmate Days	(118)	
Total Adjusted Days	34,155	17,004

We discovered 932 felon days were overreported. The net effect of this adjustment resulted in an overpayment of \$32,620 to Sequatchie County since the county's rate of reimbursement is \$35 per inmate day. Since this overpayment was after the final cost settlement, an adjustment should be made in subsequent monthly payments.