



**MARSHALL COUNTY  
SOLID WASTE DEPARTMENT**

**MARSHALL COUNTY  
SHERIFF'S DEPARTMENT**

**Investigative Report**  
September 6, 2016

---

**Justin P. Wilson, Comptroller**





STATE OF TENNESSEE

Justin P. Wilson

**COMPTROLLER OF THE TREASURY**

Comptroller

STATE CAPITOL

NASHVILLE, TENNESSEE 37243-0260

PHONE (615) 741-2501

September 6, 2016

Joe Liggett, County Mayor  
Marshall County, Tennessee  
1108 Courthouse Annex  
Lewisburg, Tennessee 37091

Billy Lamb, Sheriff  
Marshall County, Tennessee  
209 1<sup>st</sup> Avenue North  
Lewisburg, Tennessee 37091

Gentlemen:

We performed an investigation of selected records of the Marshall County Solid Waste Department and the Marshall County Sheriff's Department for the period January 2014, through April 2016. Our investigation revealed the following:

- A Marshall County jail inmate performed work at the private property of the solid waste director while being left alone and unsupervised.
- The solid waste director hired an inmate (incarcerated felon) as a full-time county employee without proper authorization and in violation of county policies.
- Inmate workers at the Solid Waste Facility were not properly supervised. While at the Solid Waste Facility, inmates had possession of and access to contraband items (weapons, drugs, alcohol, cell phones, tobacco products, tools, pornographic magazines, and other adult items). Also, we noted multiple violations of inmate work rules.
- Solid waste officials allowed false entries to be made in the official inmate sign-out logs at the Marshall County Sheriff's Department. The sign-out logs document the location of inmates while away from the jail. These sign-out logs indicated an inmate was working at the Solid Waste Facility when, in fact, the inmate was working on private property.
- We noted internal control and compliance deficiencies at the Marshall County Solid Waste Department and the Marshall County Sheriff's Department.

Findings, recommendations, and management's responses, as a result of our investigation, are presented below. Management's responses have been paraphrased in this report. Also, these findings, recommendations, and management's responses have been reviewed with the district attorney general for the 17th Judicial District.

## **Background**



State law authorizes county governments to establish garbage and rubbish collection and/or disposal services. The Marshall County Solid Waste Department operates four convenience centers in addition to the main Solid Waste Facility. The main Solid Waste Facility is located at 611 Hawkins Drive in Lewisburg,

Tennessee, and uses volunteer inmate workers from the Marshall County Jail to sort items into recyclable categories. As of December 2015, there were approximately 14 to 16 inmate workers and five full-time employees working at the main Solid Waste Facility. The Solid Waste Department also employed one work release inmate. The difference between voluntary inmate work and work release is that those on work release receive pay for their work and may receive a reduction in their sentence, while voluntary inmate workers can receive a reduction in their sentence for work time when eligible, but are not paid. For each day of work, work release inmates are charged a \$25 housing fee at the jail.

We toured the main Solid Waste Facility and observed operations as well as the working conditions of the inmates. We reviewed laws, policies, and procedures as applicable to the management and supervision of inmate workers. We reviewed reports of recyclables at the Solid Waste Department as well as revenues deposited with the Marshall County Trustee and the corresponding expenditures. We also reviewed policies and procedures applicable to county solid waste programs. We expanded our scope where necessary to include other selected records.

## **INVESTIGATIVE FINDINGS AND RECOMMENDATIONS**

### **FINDING 1**            **A JAIL INMATE PERFORMED WORK AT THE PRIVATE PROPERTY OF THE SOLID WASTE DIRECTOR**

A felon inmate housed at the Marshall County Jail worked at the privately owned farm of the director of the Solid Waste Department. The inmate is serving a state sentence in the Marshall County Jail under an agreement between the county and the Tennessee Department of Correction. *Tennessee Code Annotated*, Section 4-6-138, deems it unlawful for a person responsible for supervising inmates of the Department of Correction to use inmates, or allow inmates to be used, for personal gain or to work on private property, except as provided by law.

The director and the inmate both confirmed the inmate was left alone and unsupervised while working at the director's private property while the director was away performing other duties in Marshall County, or delivering hay outside of Marshall County. In addition,

the Solid Waste Department's floor operations supervisor used the inmate at the director's property for work on equipment he had borrowed from the director and damaged. The floor operations supervisor transported the inmate to the director's property where he repaired the equipment. The inmate was paid by the director and the floor operations supervisor for the work on private property, the proceeds of which the inmate used to pay work release fees and/or add to the inmate's commissary account at the jail.

We question payroll of \$1,079.77 provided by the county for the inmate, solid waste director, and the floor operations supervisor. The solid waste director and the floor operations supervisor were reportedly working at the Solid Waste Facility when, in fact, they were with the inmate at the solid waste director's private property. For seven days, the inmate worked for either the solid waste director or the floor operations supervisor at the private property of the solid waste director. We are questioning the hours and money charged to the county on these days by the inmate (\$168.21), solid waste director (\$652.60), and floor operations supervisor (\$258.96). We were unable to determine whether the solid waste director, floor operations supervisor, and inmate actually worked for the county on the days in question.

The solid waste director also admitted he used various inmates to perform favors of delivery, set-up, and take-down of equipment for local nonprofits. The director admitted that he used inmates to decorate his church for Christmas in 2015 and several past years.



*Source: Comptroller Investigators, 4/06/2016*

Inmate drove the blue tractor with the red bush hog attached while unsupervised on the director's personal property and repaired the bush hog for the floor operations supervisor on the director's personal property.

### **RECOMMENDATION**

Inmate labor should be used in accordance with state law, and not for work on private property. Marshall County officials should determine the propriety of the questioned costs and whether to seek recovery of any of the above-noted disbursements.

### **MANAGEMENT'S RESPONSE – MARSHALL COUNTY SOLID WASTE COMMITTEE**

We concur. Inmate labor should not be used for work on private property.

**FINDING 2**

**THE SOLID WASTE DIRECTOR HIRED AN INCARCERATED FELON AS A FULL-TIME COUNTY EMPLOYEE WITHOUT AUTHORIZATION AND IN VIOLATION OF COUNTY POLICIES**

On August 17, 2015, the Marshall County Sheriff approved an inmate for work release at the Solid Waste Facility at a pay rate of \$9 per hour for the first 80 days of employment (same inmate as noted in Finding 1). The solid waste director then changed the hiring from work release at \$9 per hour to full-time county employment at \$12.46 per hour effective on the inmate's first work day on August 24, 2015. In hiring the inmate as a full-time county employee, the inmate received the same employee benefits as other county employees including health insurance, retirement, and sick leave. The inmate worked for the Solid Waste Department until the work release program ended on January 15, 2016, and was paid a total of \$12,444.43 by the county. The hiring of the inmate as a full-time county employee was not authorized by the sheriff, the presiding judge over the case, or the county mayor. Additionally, multiple hiring policies were violated by employing the inmate.

Prior to approval for work release by the sheriff, this inmate voluntarily worked for the Solid Waste Department performing the same tasks the inmate was hired for, but at no cost to the county. Volunteer inmate workers receive credit against their sentence for time worked but receive no pay, while inmates on work release receive pay and, if eligible, receive credit against their sentence for time worked. This inmate violated probation, and per a court order, must serve the balance of his remaining sentence. The solid waste director stated he wanted to hire the inmate as an employee because of the inmate's perceived unique skill-set, and he felt sorry for the inmate since the inmate was not earning credit for time worked. In addition, the solid waste director was concerned the inmate would seek employment elsewhere upon release.

County hiring policy requires open positions to be posted on the main bulletin board in the Marshall County Courthouse Annex Building to give all interested parties an opportunity to apply. Policy further requires applicants to apply for specific job openings. The Solid Waste Department failed to follow county policy when hiring the inmate since the job was not posted in the Courthouse Annex Building, and the inmate did not complete a job application.

Having an inmate as a regular county employee increases the county's risk of liability should something happen to the inmate or, in a worst case scenario, the inmate harms a citizen.

**RECOMMENDATION**

County hiring policies and procedures should be followed by the Solid Waste Department. The hiring of an incarcerated felon as a full-time county employee is questionable, and is not a sound business practice. Having an inmate as a county employee with full benefits who is already working as a volunteer is a waste of county funds. In addition, the county is liable in the event the inmate harms another employee/citizen or flees custody.

**MANAGEMENT'S RESPONSE – MARSHALL COUNTY SOLID WASTE COMMITTEE**

We concur. Job openings will be properly posted as required by the county personnel policy.

---

**FINDING 3            INMATE WORKERS AT THE SOLID WASTE FACILITY WERE NOT PROPERLY SUPERVISED RESULTING IN POSSESSION OF AND ACCESS TO CONTRABAND ITEMS AND MULTIPLE VIOLATIONS OF INMATE WORKER RULES**

The solid waste director's lack of proper supervision at the Solid Waste Facility led to inmate workers scavenging and hiding alcohol, drugs, tobacco products, cell phones, weapons, pornography, and other items in lockers or other areas of the facility. In addition, inmates transported items with monetary value or cash back to the jail for their personal use or to add to their commissary accounts. Prior to inmates going to work either inside or outside of the jail, the jail administrator or staff explains county policies to the inmates, and the inmates are required to sign a statement that they understand the policies. Also, anyone supervising inmates attends training provided by the jail staff explaining the requirements of supervising inmates. We noted the following deficiencies related to the inmate workers:

- A. *Marshall County Sheriff's Office Security and Contraband Control Suggestions for Outside Workers*, which inmates sign prior to being granted voluntary work, clearly states that inmates are not allowed to keep, have in their possession, or hide anything they find on the job-site; this includes storing such items in their work locker if provided. Inmate workers are also not allowed to possess or use any tobacco products, pills or alcohol products, or weapons.
  - 1. Inmate workers were allowed to scavenge items and return with the items to the jail to add the items to their commissary accounts or personal belongings. There were two instances where inmates returned to the jail with money totaling \$460, which was added to their commissary accounts. Because over \$400 was turned in at one time, correctional officers notified the jail administrator who questioned the solid waste staff. The administrative assistant at the Solid Waste Department instructed the jail administrator to keep the money for two weeks, and if not claimed, jail staff could add the money to the inmates' commissary accounts.
  - 2. One inmate attempted to add a platinum ring valued at \$2,500 to his personal belongings at the jail. The ring was confiscated by Sheriff's Department personnel.



Source: Comptroller Investigators, 10/27/2015

3. Inmate workers hid contraband in multiple locations at the Solid Waste Facility. The inmates had separate restrooms from full-time staff, which included lockers that were not regularly monitored by solid waste employees. The solid waste director admitted the inmates' restrooms were not monitored. A search by sheriff's office personnel found contraband items including cell phones, tobacco products, alcohol, drugs, tools, weapons, pornographic magazines, and other adult items.



Source: Marshall County Sheriff's Department, 10/02/2015



Source: Marshall County Sheriff's Department, 10/02/2015



Source: Marshall County Sheriff's Department, 10/15/2015  
Inset photo of Pill Book Source: Comptroller Investigators, 1/29/2016

4. After being told by solid waste staff that lockers were now required to be open at all times, our subsequent visits revealed the restrooms were cleaner, but the lockers were closed, and we still found contraband inside the lockers, restroom stalls, and in other open areas of the restroom. The solid waste director said he allowed the inmate workers to have the items because he felt sorry for them, but was surprised by the amount of contraband the Sheriff's Department employees found. The solid waste director also told us he did not think about how this looks, and he would not have allowed his regular employees to have those items in their offices nor would he have those items in his office.

B. *Marshall County Sheriff's Office Volunteer Work Rules for Inmates* prohibits inmates from using any cell phone, office phone, business phone, computer, iPad, or electronic tablet. Inmates are prohibited from making any phone calls while outside of the jail; if caught, they will lose their work privileges. We noted the following deficiencies:

1. We determined one work release inmate at the Solid Waste Facility had access to a laptop computer and the internet. When looking for a training file on this computer, its search history revealed pornography had been searched for on the computer. The inmate regularly uses the laptop.
2. The director of the Solid Waste Department revealed that the above-noted computer and some other computers and electronic devices used by county employees at the Solid Waste Department were retrieved from the trash. Using computers and other electronic devices discarded as trash increases the risk of computer viruses or other prohibited material already being on a computer used for county business.

C. According to the Marshall County Jail training guide, inmates are prohibited from operating any kind of motor vehicle or handle keys of any kind. We determined at least one inmate worker operated a county vehicle in the parking lot at the Solid Waste Facility with two other inmates as passengers.

- D. According to the Marshall County Jail training guide, inmates are prohibited from being transported to their homes, stores, markets, or any location other than their authorized work-sites or to medical care facilities. The solid waste director and the floor operations supervisor took the same inmate mentioned in Finding 1 who performed work on private property to a market down the street from the solid waste director's farm to buy food. Also, other inmates were taken from their authorized work-sites to private properties and other nonprofit organizations' locations.
- E. Prior to October 2015, the Solid Waste Department did not keep any records of the inmate workers for whose custody they were responsible. According to solid waste employees, they knew who they had picked up at the jail and who they were taking back; however, it should be noted that the employees who picked up the inmates in the morning were not always the same employees who returned the inmates to the jail in the evening. In October 2015, the Solid Waste Department began having inmates sign a log when the inmates got on the bus to leave the jail. For November 2015, we compared the two logs maintained at the jail with the log maintained by the Solid Waste Department and found the logs did not have the same information. For three days in November, the bus log maintained by the Solid Waste Department did not reconcile with the logs maintained at the jail. For those three days we found the following:
1. On one day, at least one inmate worker was signed out on both logs maintained at the jail but was not on the solid waste bus log;
  2. On one day, when the Solid Waste Department had inmate workers, the bus log was not completed at all; and
  3. On one day, an inmate worker signed the log on the bus but had not signed either log at the jail.

It is vital that the Solid Waste Department know where the inmates signed over to their custody are located at any given time. The Solid Waste Department should keep accurate records and know who they signed out to ensure those same inmates are returned to the jail.

There are multiple areas inmates have access to that are not secured, and not all areas are visible on security cameras. These include rooms where items can be stored or hidden. At the time, solid waste's property was not fenced or gated; however, by the time of this report, the property has been fenced. We also noted the sort line (area where solid waste is sorted by type), where most inmate workers are stationed, cannot be adequately observed from the floor or by the video cameras positioned to monitor the sort line. Lack of appropriate supervision and contraband items openly flowing down the sort line leads to inmates' access to drugs, alcohol, tobacco, cell phones, weapons, and other contraband. This access creates an unsafe work environment for both inmates and employees at the Solid Waste Facility.

## **RECOMMENDATION**

The Solid Waste Department should ensure inmate workers are properly supervised; regularly search lockers and other facility areas where items could be hidden; block inmate access to telephones, computers, and electronic devices; prohibit inmate workers from operating motor vehicles; and keep accurate logs.

## **MANAGEMENT'S RESPONSE – MARSHALL COUNTY SOLID WASTE COMMITTEE**

We concur. Since October 2015, the county mayor, sheriff, and solid waste director have met periodically to discuss issues with the inmate work force along with ways to improve operations of the facility. The Solid Waste Committee has approved the hiring of additional employees to supervise the inmate workers along with implementing various security measures such as installation of a security fence, new policies on recyclables, and drug testing inmate workers. The solid waste staff periodically conducts inspections specifically looking for contraband items, and contraband items are removed from the facility when found. Inmate lockers have been removed from the restroom and moved to an area that can be monitored by security cameras.

---

## **FINDING 4                    SOLID WASTE OFFICIALS ALLOWED FALSE ENTRIES TO BE MADE IN THE OFFICIAL INMATE SIGN-OUT LOGS**

Inmates, known as trustees, have been approved to work either inside the jail or outside the jail at an approved agency and have received training from the jail staff. The agency or person that takes responsibility for the inmate signs the inmate out and back in each day the inmate works on a record called the Marshall County Jail: Trustee Sign-Out Log; however solid waste employees do not sign their name, just the name of the business, MCSW (Marshall County Solid Waste). Typically, the floor operations supervisor was the pick-up person Monday through Friday, and another employee picked up on the weekend. We reviewed the sign-out logs filled out by solid waste employees when picking up inmates from the jail. On each occasion when the inmate noted in Finding 1 was taken to the property of the solid waste director by the director or the floor operations supervisor, the log reflected the inmate was signed out to work at the Solid Waste Facility. The log did not indicate that the inmate was signed out to be taken to work at the solid waste director's personal property. *Tennessee Code Annotated*, Section 39-16-504(a), provides that it is unlawful for any person to:

- (1) Knowingly make a false entry in, or false alteration of, a governmental record;
  - (2) Make, present, or use any record, document or thing with knowledge of its falsity and with intent that it will be taken as a genuine governmental record
- ....

**RECOMMENDATION**

Trustee sign-out logs should reflect accurate information as required by Section 39-16-504, *Tennessee Code Annotated*. The Solid Waste Department should use inmate labor in accordance with county policy and state law.

**MANAGEMENT'S RESPONSE – MARSHALL COUNTY SOLID WASTE COMMITTEE**

We concur. Sign-out logs will be maintained in accordance with state law.

---

**MARSHALL COUNTY SOLID WASTE DEPARTMENT  
INTERNAL CONTROL AND COMPLIANCE DEFICIENCIES**

**FINDING 5 THE SOLID WASTE COMMITTEE DID NOT PROVIDE  
ADEQUATE OVERSIGHT OF THE SOLID WASTE DEPARTMENT**

The Solid Waste Committee did not provide adequate oversight of the operations of the Solid Waste Department and its director. The solid waste director reports to the Solid Waste Committee, and this committee is composed of members of the Marshall County Commission. The Solid Waste Committee did not establish guidelines until after the Marshall County Sheriff's raid in October 2015. Then in December 2015, the committee created very basic guidelines that should have been in place prior to having inmates work at the facility. The lack of oversight by the Solid Waste Committee directly contributed to inmates returning with scavenged items from the sort line and the use of inmates for private gain.

**RECOMMENDATION**

The Solid Waste Committee should provide proper oversight of the county's solid waste operations and the establishment of adequate internal controls to ensure the county complies with applicable laws, rules, and regulations. Minutes of committee meetings should adequately document the business conducted by the committee.

**MANAGEMENT'S RESPONSE – MARSHALL COUNTY SOLID WASTE COMMITTEE**

We concur. Guidelines have now been put in place.

---

**FINDING 6 THE SOLID WASTE DEPARTMENT FAILED TO EXERCISE  
PROPER PURCHASING CONTROLS**

We reviewed Marshall County purchasing policies and various purchasing records for the Solid Waste Department and found the following deficiencies, which are the result of a lack of management oversight.

- A. For five credit card transactions made between August 2015 and April 2016, the Solid Waste Department failed to submit receipts or invoices for purchases totaling \$604.03.
- B. Prior to a purchasing policy change in October 2015, the Solid Waste Department made three purchases totaling \$6,886.42 on a credit card. Each purchase was over \$500, which would have required the submission of multiple quotes prior to the purchases; however, there were no quotes on file for these purchases.
- C. For 12 purchases totaling \$14,744 made between November 2015 and April 2016, the Solid Waste Department failed to obtain required purchase orders prior to making purchases. The Marshall County purchasing policy in effect during this period required a purchase order for any purchase over \$50. These 12 purchases ranged in price from \$65 to \$9,340.

Failure to follow established purchasing policies increases the risk that unauthorized purchases will be made and not detected in a timely manner.

**RECOMMENDATION**

The Solid Waste Department should submit receipts for credit card purchases, obtain and submit quotes if required by the county’s purchasing policy, and complete purchase orders for any purchases over \$50 prior to making purchases.

**MANAGEMENT’S RESPONSE – MARSHALL COUNTY SOLID WASTE COMMITTEE**

We concur. The Solid Waste Department has corrected this finding.

**FINDING 7                    MULTIPLE VEHICLES ASSIGNED TO AND DRIVEN BY EMPLOYEES OF THE SOLID WASTE DEPARTMENT WERE NOT PROPERLY MARKED AS PROPERTY OF MARSHALL COUNTY**

County-owned pickup trucks and other passenger vehicles assigned to and driven by the solid waste director, a floor operations supervisor, and other solid waste employees were not properly tagged as property of Marshall County as required by the county’s Capital Asset Policy. *Capital Assets Policies and Procedures*, Section B(5), requires vehicles to be identified with asset tags or decals identifying the vehicles as county vehicles. Employees of the Solid Waste Department stated in interviews that some of the vehicles previously had decals that had peeled off. Without proper asset tags or decals, the vehicles are not identified as county property and could be easily misused for personal travel.



*Source: Comptroller Investigators, 4/06/2016*  
Solid Waste Director's County Vehicle



*Source: Comptroller Investigator, 4/06/2016*  
Floor Supervisor's County Vehicle



*Source: Comptroller Investigators, 4/06/2016*  
Additional Truck Used by Solid Waste Employees

## **RECOMMENDATION**

County-owned vehicles assigned to the Solid Waste Department should be clearly tagged or decaled as property of Marshall County as required by the county's capital asset policy.

**MANAGEMENT'S RESPONSE – MARSHALL COUNTY SOLID WASTE COMMITTEE**

We concur, and this finding has been corrected.

---

**FINDING 8            THE SOLID WASTE DEPARTMENT COLLECTS RECYCLABLES FROM SEVERAL SURROUNDING COMMUNITIES WITHOUT CONTRACTUAL AGREEMENTS**

The Solid Waste Department receives recyclables from the cities of Columbia, Franklin, Spring Hill, and Giles County. There is an interlocal agreement between Marshall County and the City of Franklin for the collection and delivery of recyclables to Marshall County; however, the other entities listed above lack any formal contract or other written guidance defining responsibilities or expected monetary or legal liabilities for Marshall County and/or the entities. By not having written agreements, the Solid Waste Department risks unfavorable treatment by the entities not covered by a contractual agreement.

**RECOMMENDATION**

The Solid Waste Department should have written agreements with any city or other entity that they collect or receive recyclable materials.

**MANAGEMENT'S RESPONSE – MARSHALL COUNTY SOLID WASTE COMMITTEE**

We concur.

---

**FINDING 9            THE SOLID WASTE DEPARTMENT DOES NOT RECONCILE THE SALE OF RECYCLABLES WITH ITS REVENUE ACCOUNTS**

The Solid Waste Department sells recyclables as part of their operations. When a truck of recyclables leaves the Solid Waste Facility, a bill of lading is issued, which shows the type of recyclables as well as the truck's weight when empty (tare weight), the truck's weight when full (gross weight), and the difference between the gross weight and tare weight (net weight). The bills of lading are prenumbered forms issued when the Solid Waste Facility knows a truck is coming to pick up recyclables. When a payment for recyclables is received by the Solid Waste Department, the checks are taken by the administrative assistant to the Marshall County Trustee's Office three times per week. We noted deficiencies with the bills of lading and revenue reconciliation process:

- A. Not all of the prenumbered bill of lading forms were on file or accounted for. We were told by solid waste staff that these forms are sometimes not issued numerically and are not reconciled. We reviewed the spreadsheet of payments received at the Solid Waste Department from January through June 2015, and noted the spreadsheet did not include the bill of lading numbers. When we attempted to match the bills of lading based on date and weight, not all items on the spreadsheet

matched the bills of lading we reviewed. Solid waste receivables should be reconciled with bills of lading monthly. Without proper controls over bills of lading and revenue reconciliations, the Solid Waste Department cannot ensure that all revenues have been received and deposited with the county trustee, and cannot ensure the accurate reporting of recyclables for several grant agreements.

- B. Several bill of lading forms were not completed properly by the Solid Waste Department and lacked either the net weight of the truck or the tons of the recyclables being sold. Without maintaining control over the prenumbered bills of lading and accounting for all of them, the Solid Waste Department cannot ensure they received payment for all sales.
- C. The Solid Waste Department does not issue bills of lading for scrap metal, which is hauled directly from the county's convenience centers by an outside vendor to a scrap-yard without weighing the scrap metal before it leaves the convenience centers. The Solid Waste Department relies on the scrap-yard vendor to accurately report the weight of metal received and pay accordingly. There is no written agreement in place between the Solid Waste Department and the scrap-yard vendor regarding the services provided by the vendor. Relying totally on an outside vendor to accurately report the weight of the materials they receive and pay accordingly without a written agreement in place is not a recommended business practice.
- D. The administrative assistant stated that the Solid Waste Department does not track or reconcile pre-sorted waste they are responsible for, either as gross in and out, or as recyclables, and they do not track the amount that is sent to the landfill. All waste is sorted at the Solid Waste Facility, and recyclables are separated before remaining waste is taken to the landfill. Also, the Solid Waste Department does not track the inventory of recyclables that has been baled and waiting to be sold. There is a large amount of baled recyclables stored at the Solid Waste Facility. In the event of a catastrophe, proving the loss to insurance would not be possible since inventory is not tracked.



Source: Comptroller Investigators, 1/29/2016



Source: Comptroller Investigators, 1/29/2016

### **RECOMMENDATION**

The Solid Waste Department should properly use and account for prenumbered bill of lading forms and maintain a log to reconcile bills of lading with revenues monthly. Any voided forms should be maintained as proof of void. Bills of lading should be completely filled out, signed, and dated. The Solid Waste Department should have a signed written agreement with any outside vendor. Pre-sorted waste in and out should be tracked, and an inventory of baled recyclables should be maintained.

### **MANAGEMENT'S RESPONSE – MARSHALL COUNTY SOLID WASTE COMMITTEE**

We concur. The solid waste director has implemented internal control procedures for the Solid Waste Department. These procedures should address and correct the deficiencies noted in this finding.

---

### **MARSHALL COUNTY SHERIFF'S DEPARTMENT INTERNAL CONTROL AND COMPLIANCE DEFICIENCIES**

#### **FINDING 10      THE WORK RELEASE PROGRAM WAS NOT ESTABLISHED IN ACCORDANCE WITH STATE LAW**

The work release program was not established and was not operating in accordance with state law. *Tennessee Code Annotated*, Section 41-2-133, authorizes Marshall County to institute a work release program. An inmate is authorized to participate in a work release program under a commission established pursuant to *Tennessee Code Annotated*, Section 41-2-134, or by a court-approved work release program pursuant to Section 41-2-148. While state law allows both misdemeanants and felons to have work release, we noted the majority of inmates participating in Marshall County's program were felons.

*Tennessee Code Annotated*, Section 41-2-148(b)(2), authorizes qualifying inmates to participate in a court-approved work release program. We were unable to locate records showing court approval for participation in work release programs.

*Tennessee Code Annotated*, Section 41-2-134, defines requirements of work release programs to include a commission of no less than three members nor more than 12 to approve an inmate's request for work release. The sheriff appoints the members of the commission with the approval of the county legislative body. In addition, *Tennessee Code Annotated*, Section 41-2-134, further requires the members to serve four-year terms and meet weekly or at the call of the sheriff at the Sheriff's Office. *Tennessee Code Annotated*, Section 41-2-135, requires an inmate to file a petition with the work release coordinator of the correctional/rehabilitation division. The petition must be joined by the sheriff, concurred with by the work release coordinator (in Marshall County this is the Jail Administrator), and approved by the commission. Prior to our review, an inmate would submit a request for either work release or the volunteer work program to the jail administrator who would then approve volunteer inmate workers. For work release, the jail administrator and the sheriff signed the approval forms. There was no commission in place for the approvals as required by law. This process was in place when the current sheriff was elected in 2014. When we questioned the sheriff regarding the work release program and applicable state laws, the sheriff discontinued the work release program on January 15, 2016.

*Tennessee Code Annotated*, Section 41-2-129, requires the jail supervisor to collect an inmate's wages or salary, or require the inmate to turn over the inmate's wages or salary when received, and then deposit the wages or salary into a trust checking account. The supervisor is responsible for keeping a ledger showing the status of the account of each prisoner. In the case of a jail prisoner, it is the sheriff's responsibility to perform these duties. From this deposited amount, the inmate is liable for charges for their boarding at the jail. Once board expenses are paid from the inmate's funds, Section 41-2-129, and Section 41-6-106, requires the earnings to be disbursed in the following order:

1. Necessary travel expenses to and from work and other incidental expenses of the prisoner;
2. Support of dependents, if any, in amounts fixed by the local governing body of the institution or by the county legislative body in the case of jail prisoners;
3. Payment of docket costs connected with the commitment of the person;
4. Payment in full or ratably of inmate's obligations acknowledged in writing by the inmate or that have reduced to judgment; and
5. \$2.00, if there is a balance of \$2.00 in the account, deducted each month for any month the inmate is employed, to be applied to the county-operated victim's assistance program, if such a program exists in the county; and
6. \$4.00, if there is a balance of \$4.00 in the account, deducted each month for any month the inmate is employed, to be directly applied to satisfy any judgments, against the prisoner, for restitution in favor of the victim..

Prior to our examination of the program and its compliance with state laws, the jail did not maintain trust accounts for work release inmates. The inmates handled their own funds and simply submitted payments for room and board to the jail weekly. Inmates were not required to make payments for dependents, court costs, or any other financial obligations required by statute. This was the process in place when the current sheriff took office in 2014; however, when the sheriff realized the program was not in compliance with state laws, the program was discontinued.

### **RECOMMENDATION**

Any future establishment of a work release program in Marshall County should follow state law. The sheriff and jail administrator should familiarize themselves with the laws governing the programs they are responsible for administering.

### **MANAGEMENT'S RESPONSE – SHERIFF BILLY LAMB**

I concur with the audit findings, and the issue has been corrected.

---

### **FINDING 11      **THE MARSHALL COUNTY SHERIFF DEPARTMENT'S JAIL STAFF DID NOT MAINTAIN ACCURATE RECORDS OF INMATE CUSTODY FOR THE VOLUNTEER OR WORK RELEASE PROGRAMS****

According to *Tennessee Code Annotated*, Section 8-8-201(a)(3), it is the sheriff's duty to: ...Take charge and custody of the jail of the sheriff's county, and of the prisoners therein;... We noted discrepancies in jail records regarding inmates signing out for various work release activities for 14 of the 30 days in November 2015.

There are two forms to be signed when an inmate is released from the jail into the custody of a supervisor. One is a log completed by the inmates in the booking room of the jail (jail log). The other is a log that is signed by the supervisor picking up the inmates (trustee sign-out log). These same logs are signed when the inmates are returned to the jail at the end of the work day. We reviewed and compared the two forms signed by inmates and their supervisors to determine if the inmates signing out in the booking room matched the ones being signed for by the supervisors from the Solid Waste Department. We noted the following deficiencies:

- A. The Marshall County Jail: Trustee Sign-Out Log requires the date, inmate name, time out and time in, and the person responsible to be noted on the log. The agency or person that is taking responsibility for the inmate signs the inmate out and back in each day they work. The form asks for the person's name; however, when multiple inmates were picked up, the business names were listed but rarely was the individual who was picking up or returning the inmates to the jail listed.
- B. Of the 14 days examined, we found discrepancies in 12 days where the inmates signed out from the jail's booking room but there was not a corresponding sign out

on the trustee sign-out log, meaning the entity did not indicate taking custody of the inmate yet the jail log indicated the inmate had left the jail.

- C. For two of the 14 days, inmates were signed out on the trustee sign-out log but not the jail log, meaning either the trustee sign-out log was incorrect and the inmate did not leave the jail or the jail log was incorrect and the inmate left without signing the jail log. The location of the trustee sign-out log is a contributing factor in these documents not matching since the trustee sign-out log was completed prior to the supervisor knowing which supervisor would be picking up for the day. Once the inmates are released to the supervisor, the supervisor cannot leave the inmates unsupervised to return to the trustee sign-out log to change the names. We also noted access to the jail log was not controlled by a correctional officer, and any inmate entering or leaving the jail could simply sign someone else's name or time in or out.
- D. The jail work program training guide states that inmates cannot be transported in a private vehicle and does not allow visitation or contact with family members outside of normal visiting hours; however, the jail administrator allowed work release inmates to be transported to work by family members.

It is vital that the jail staff know where inmates are at any given time and whose custody they are in. Proper movement and transfers of inmate custody, especially outside the jail, should be documented appropriately and correctly and the jail staff should ensure entities always know which inmates they have custody of before they leave the jail. In the event an inmate goes missing, authorities need to know who they had in custody. In the interest of public safety, there should not be any discrepancies in the records of inmate locations.

### **RECOMMENDATION**

Transfers of inmate custody should be supervised by a correctional officer who ensures inmates signing out and in on the jail log are the same inmates who are being signed for by supervisors of the entity for which they work. Both logs should be secured so access to the logs is not open to tampering by other inmates.

### **MANAGEMENT'S RESPONSE – SHERIFF BILLY LAMB**

I concur with the audit finding, and procedures have been put in place to correct the issue.

---

If you have any questions concerning the above, please contact this office.

Sincerely,

A handwritten signature in black ink, appearing to read "Justin P. Wilson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Justin P. Wilson  
Comptroller of the Treasury

JPW/kbh