



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

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January 8, 2014

Honorable Mayor and Members of the
Board of Aldermen
City of Wartburg
P. O. Box 386
Wartburg, TN 37887

Gentlemen:

The City of Wartburg operates under a Board of Mayor and Alderman form of government and provides services as authorized by its charter. The city's police department is comprised of a police chief, captain, three full-time officers, and four unpaid reserve officers. The police chief's son is the captain of the department and is directly supervised by the chief. The captain directly supervises all of the full-time and reserve officers in the department, including his wife, who is a reserve officer. On February 12, 2013, our office was informed of suspected misuse of a confiscated vehicle by the Wartburg Police Department. Findings and recommendations as a result of our investigation are presented below. These findings and recommendations have been reviewed with management to provide an opportunity for their response. These findings and recommendations have also been reviewed with the district attorney general.

INTERNAL CONTROL AND COMPLIANCE DEFICIENCIES
FINDINGS AND RECOMMENDATIONS

1. **FINDING:** Confiscated vehicle improperly used for general use

A 1999 BMW sedan was seized pursuant to a narcotics arrest on June 6, 2011, and was subsequently titled to the City of Wartburg. The vehicle was assigned to the wife of the captain, routinely kept at the home of the captain and his wife, and sometimes used for non-drug enforcement related purposes. The captain advised that he was in charge of all seized vehicles for the department, and that it was the custom of the department to promptly sell all seized vehicles when the department took ownership. The BMW was not sold by the department until March 12, 2013. The reserve officer advised that she primarily used the vehicle for fundraising events and the purchase of supplies, but did

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occasionally use the vehicle to commute to her full-time job when she was volunteering her evenings at the Wartburg Police Department. The reserve officer advised that she would sometimes buy gas for the vehicle from personal funds, or use another officer's Fuelman card for the purchase of fuel. Section 53-11-201, *Tennessee Code Annotated*, requires the use of a seized vehicle to be used only for the city's drug enforcement program.

RECOMMENDATION:

City officials should ensure that vehicles seized pursuant to Section 53-11-201, *Tennessee Code Annotated*, are used only for drug enforcement purposes.

2. **FINDING: The City of Wartburg Police Department violated the city nepotism policy**

The City of Wartburg Police Department violated the city's nepotism policy by allowing the police chief to directly supervise the captain, who is his son. The captain supervised all of the other staff of the department, including his wife, a reserve officer. The city's nepotism policy states that immediate relatives will not be employed in regular full-time or regular part-time positions where one relative would have the authority to directly supervise, appoint, remove, discipline or evaluate the performance of the other. In addition, the policy provides for other circumstances which would place the relatives in a situation of actual or reasonably foreseeable conflict between the city's interest and their own. The city's policy defines immediate relatives as a spouse or child.

RECOMMENDATION:

City officials should take steps to abide by their nepotism policy.

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

Sincerely,



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