



State of Tennessee

Justin P. Wilson, State Comptroller

For Immediate Release: March 10, 2014

Grainger County Audit Uncovers Various Management and Oversight Issues

Grainger County government needs to take several steps to improve its management and operations, an audit released today by the Comptroller's office shows.

Two departments within the government, the road superintendent's office and the director of schools' office, failed to use a competitive bidding process for certain purchases of used equipment. The road superintendent's office bought a used brush chipper for \$15,500 after obtaining only one price quote. The director of schools' office spent \$403,700 on nine used buses without going through a competitive bidding process. State law generally requires competitive bids for purchases valued at more than \$10,000.

Also, the audit revealed that time sheets for certain sheriff's department employees were not signed by the employees, their supervisors or the sheriff. If time sheets aren't reviewed for accuracy, there's a greater chance for incorrect payments to be made.

The audit also noted that an employee in the county clerk's office pled guilty last year to charges related to the theft of more than \$10,000 in motor vehicle sales tax and registration renewal fees. That finding was detailed in a separate report issued by the Comptroller's office last year.

And the audit noted that five sheriff's department employees were indicted by the Grainger County Grand Jury for various charges related to theft, rape and inappropriate treatment of prisoners following an investigation by the sheriff's department and the Tennessee Bureau of Investigation. Trial dates for the indicted employees are pending.

Auditors also determined that several departments within Grainger County government failed to adequately separate the duties for those responsible for handling financial transactions. Generally-accepted accounting practices suggest that having multiple employees involved in transactions allows them to check each other's work, which reduces the likelihood of theft or mistakes.

The Comptroller's office also recommends that Grainger County adopt a centralized system of accounting, budgeting and purchasing.

"I am concerned that Grainger County had so many varied findings in this audit," Comptroller Justin P. Wilson said. "Our auditors highlighted a number of problems - up to and including criminal activity - which require corrective action. I hope and trust that Grainger County officials will take these findings seriously so next year's audit shows improvement."

To view the audit online, go to: <http://www.comptroller.tn.gov/la/>.

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Media contact: Blake Fontenay, Communications Director, (615) 253-2668 or blake.fontenay@tn.gov

[Tennessee Comptroller of the Treasury](#)
State Capitol Nashville, TN 37243
Phone: (615) 741-2501
Email: comptroller.web@cot.tn.gov