



Justin P. Wilson, Comptroller

November 2, 2015

Auditors Discover Claiborne County Employees Not on Pension Plan

Dozens of Claiborne County employees were not participating in the Tennessee Consolidated Retirement System (TCRS) according to an audit just released by the Tennessee Comptroller's Division of Local Government Audit.

Comptroller auditors found that 52 full-time employees of Claiborne County and six full-time employees of the Highway Department were eligible for participation, but were not included in TCRS. Claiborne County did not comply with the mandatory TCRS membership requirements, which are established by state statute (Title 8, Chapters 34-37, *Tennessee Code Annotated*). This resulted in a finding of material noncompliance.

County officials informed auditors that employees had been given the option to participate in the pension plan, and they were unaware that participation was mandatory.

Due to this issue, auditors were unable to determine if Claiborne County's pension liability was recorded correctly. This resulted in qualified opinions on the county's financial statements.

Auditors also wrote two findings that were repeated from last year's audit report. These findings are related to employees' accrued leave balances exceeding the maximum provided by the county's personnel policy, and an inadequate separation of financial duties in four county offices.

"County leaders and Highway officials must ensure their adherence to state law," Comptroller Justin P. Wilson said. "I encourage Claiborne County officials to contact the TCRS to create a plan to correct this situation."

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

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