



**Justin P. Wilson, Comptroller**

May 3, 2018

## **Nearly \$150,000 of Improper Purchases Identified at Oliver Springs Housing Authority**

The Tennessee Comptroller's Office has determined that a former employee of the Oliver Springs Housing Authority (OSHA) made personal purchases totaling at least \$149,516.83 with the housing authority's credit cards.

Comptroller investigators reviewed accounting records, bank statements, credit card statements, and supporting documentation for the period beginning December 1, 2015 through the time of the employee's termination in April 2017.

Investigators determined the former employee made dozens of purchases for her personal benefit. These purchases included several vehicles, two Yamaha Jet Skis, a 2001 Tahoe Boat and trailer, a golf cart, payments on a 2015 Sportsman Travel Trailer, vehicle repairs, and property tax payments.

Others purchases included 139 Amazon.com purchases, plane tickets, a Carnival Cruise, jewelry, sporting goods, clothes, a Comcast bill, insurance, food, a prom dress, etc. The former employee also transferred OSHA money to her boyfriend's PayPal account for her personal gain.



The Oliver Springs Housing Authority has received credits and reimbursement for some of these improper purchases; however, a cash shortage of \$135,281.12 still exists within the OSHA.

Investigators are also questioning additional purchases totaling \$12,484.44 paid from OSHA funds. These charges such as food, fuel, travel, supplies, and auto parts were paid without detailed invoices or documentation to validate they were exclusively for the housing authority.

The Comptroller's Office has reviewed its findings and recommendations with the district attorney general for the Ninth Judicial District and the U.S. Attorney General's Office for the Eastern District of Tennessee.

"The investigation raises many questions about oversight within the OSHA," said Comptroller Justin P. Wilson. "The Board of Commissioners and housing authority management must take steps to ensure accountability. Our investigators have identified a number of weaknesses related to financial management and personnel practices. These issues must be addressed."

To view the investigative report online, go to: <http://www.comptroller.tn.gov/ia/>.

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