



## State of Tennessee

Justin P. Wilson, State Comptroller

For Immediate Release: Nov. 7, 2011

### **Audit Reveals More Than \$40,000 Missing from Johnson County Mayor's Office**

An employee in the Johnson County mayor's office misappropriated more than \$40,000 worth of solid waste transfer station collection fees, an investigation by the Comptroller's Division of County Audit has revealed. Also, the audit showed that the county's solid waste director allowed his son to remove scrap metal from a solid waste transfer station and sell it for his personal gain.

Investigators found that between November 2010 and August 2011, the employee in the county mayor's office failed to deposit several days' worth of solid waste collection fees, totaling \$21,958.15. The employee also deposited \$18,737.40 worth of unreceipted checks for solid waste collections, but removed an equal amount of cash collections that had been receipted. Furthermore, the employee didn't turn over \$800 collected for sewer inspections to the Department of Environment and Conservation.

When the county mayor was notified of the cash shortage, he immediately suspended the employee. The cash shortage was reported to the local district attorney general.

Also during the investigation, then-Solid Waste Director Tim Keene admitted to allowing his son to sell an undetermined amount of scrap metal. Keene was fired last April. Information about the scrap metal sales was forwarded to the Tennessee Bureau of Investigation.

"It is always unfortunate when public dollars are misappropriated or public resources are used for personal gain," Comptroller Justin P. Wilson said. "I would ask that anyone who suspects fraud, waste or abuse of taxpayer dollars in our local governments across Tennessee to contact our fraud hotline at 1-800-232-5454. I also want to commend Johnson County officials for promising to take corrective action promptly after learning of our auditors' findings."

The audit noted several other deficiencies in Johnson County's financial practices, including a failure of some departments to adequately separate the duties of people involved in collecting, depositing and accounting for money. Allowing one employee to handle all aspects of a transaction does not provide adequate checks and balances to safeguard money received.

The complete audit can be viewed online at:

<http://www.comptroller1.state.tn.us/repository/CA/2011/Johnson.pdf>

-30-

Media contact: Blake Fontenay, Communications Director, (615) 253-2668 or

[blake.fontenay@tn.gov](mailto:blake.fontenay@tn.gov)

[Tennessee Comptroller of the Treasury](#)

State Capitol Nashville, TN 37243

Phone: (615) 741-2501

Email: [comptroller.web@tn.gov](mailto:comptroller.web@tn.gov)