



# State of Tennessee

**Justin P. Wilson, State Comptroller**

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## **Former Winchester Finance Director Indicted for Missing Court and Drug Fund Money**

An investigation by the Comptroller's Division of Municipal Audit and the Tennessee Bureau of Investigation has led to the indictment of former Winchester finance director Mary Faye Morrow for the theft of more than \$150,000 from the City of Winchester.

Investigators found that Ms. Morrow took many checks written to the city from the county court clerk for General Sessions and Circuit Court fines and fees to a nearby bank and converted them into cashier's checks and cash. In a letter to city officials released today, Dennis Dycus, the director of the Comptroller's Division of Municipal Audit, noted that the cash was never deposited into a city bank account and the cashier's checks were later swapped for additional cash amounts taken from other city accounts.

Investigators found that during a six-and-a-half year period, ending when Ms. Morrow retired in December 2010, she had misappropriated more than \$133,000 in checks from court fines and fees. Investigators also discovered more than \$19,000 in cash seized from narcotics arrests was turned directly over to Morrow, but never deposited into the city's bank account.

The Comptroller's investigators attribute the theft to the city's lack of separation of duties. Ms. Morrow receipted city collections, opened the mail and prepared bank deposits. As a result, she was able to perpetrate check-cashing and check-swapping schemes. Auditors recommend that no single employee be responsible for all aspects of financial transactions to safeguard against fraud.

"It is disappointing when people abuse positions of public trust," Comptroller Justin P. Wilson said. "It's true at any time, but particularly during difficult economic times, local governments cannot afford to lose public funds to fraud, waste or abuse. I encourage anyone who has credible

information that fraud, waste or abuse is occurring in local government to call our hotline at 1-800-232-5454.”

To view the audit online, go to: [http://www.comptroller1.state.tn.us/RA\\_MA/](http://www.comptroller1.state.tn.us/RA_MA/).

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