



Jason E. Mumpower, Comptroller of the Treasury

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Audit Finds Recurring Compliance Issues and School Department Weaknesses in Polk County

The Tennessee Comptroller's Office audit of Polk County government for the fiscal year ended June 30, 2025, has identified ongoing noncompliance with state law and significant weaknesses in the county's school department financial operations.

The audit report contains 12 findings. Seven of the 12 findings were repeated from the prior year.

Two findings relate to the county's long-standing failure to comply with the Fiscal Control Acts of 1957. Under the 1957 Act, the director of accounts and budgets is required to maintain accounting records for funds administered by the county executive and highway superintendent. However, highway department personnel continue to maintain those records, contrary to state law. This issue has been reported in prior audits and remains a material recurring finding.

The most significant concerns in this year's audit involve the school department. Auditors reported material audit adjustments were required in the Central Cafeteria Fund to properly present the financial statements. Accounting records were not closed and made available for audit by the August 31 statutory deadline, and records were not maintained on a current basis during the year.

Additional findings in the school department include budget violations, an unretired revenue anticipation note totaling \$250,000, fund balance deficits, inadequate segregation of duties, numerous correcting journal entries, and payroll liability accounts that were not reconciled monthly. Several of these issues were also reported in the prior year.

Auditors also reported that some funds in the Misdemeanor Probation Office and the Circuit and General Sessions Courts Clerk's Office were not deposited within three business days as required by state statute.

"It is concerning to see repeated findings and continued noncompliance with state law," said Comptroller Mumpower. "County officials must take prompt and sustained action to strengthen oversight, comply with statutory requirements, and ensure accurate and timely financial reporting."

View the [Polk County Audit Report](#).

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