



SMITH COUNTY PUBLIC LIBRARY

Comptroller's Investigative Report August 30, 2018

Justin P. Wilson, Comptroller





JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

August 30, 2018

Mayor and Members of the County Commission
Smith County
122 Turner High Circle
Carthage, TN 37030
and
Members of the Library Board
Smith County Public Library
215 Main Street North
Carthage, TN 37030

Ladies and Gentlemen:

The Office of the Comptroller of the Treasury conducted an investigation of selected records of the Smith County Public Library, and the results are presented herein.

Copies of this report are being forwarded to Governor Bill Haslam, the State Attorney General, the District Attorney General, certain state legislators, and various other interested parties. A copy is available for public inspection in our office and may be viewed at <http://www.comptroller.tn.gov/ia/>.

Sincerely,

A handwritten signature in black ink, appearing to read "Justin P. Wilson", is written over a light gray rectangular background.

Justin P. Wilson
Comptroller of the Treasury

JPW/RAD

INVESTIGATIVE REPORT

SMITH COUNTY PUBLIC LIBRARY

BACKGROUND

We received allegations of suspected irregularities concerning time reporting by the Smith County Public Library Director. Because of these allegations, we conducted an investigation of the Smith County Public Library.

The Smith County Public Library is located in Carthage, Tennessee. The library is one of two libraries in Smith County, is a part of the Smith County government, and its employees are required to follow county policies. The Smith County Library Board provides oversight to the libraries. Operations of the two libraries are overseen by a library director appointed by the library board. The library director's employment was terminated by the library board on August 31, 2017.

INVESTIGATIVE FINDINGS AND RECOMMENDATIONS

FINDING 1: The library director was paid for time not worked

During the period under examination, the library director was paid at least \$331.55 for time not worked. Our investigation revealed two instances in which the library director was not working on Wednesday when auditors and officials requested to speak with the library director. In those two instances, we were able to document the library director submitted time sheets reflecting that she had worked on those days she was not at the library.

Furthermore, our interviews with library employees indicated that the library director was consistently not working at the library on Wednesdays. However, we could not determine the total number of days the library director was paid for time not worked.

The library director advised that she frequently scheduled personal appointments such a doctors' visits on Wednesday, and she didn't always reflect when she took leave for sick or vacation time. The library director also advised that although her time sheets did not reflect actual time worked that she had in fact worked 32 hours per week. However, she could not provide documentation to support her actual time worked. Therefore, we could not determine the total number of days the library director was paid for time not worked or the accuracy of her time sheets. The practice of not reporting work time and leave accurately could have occurred more frequently due to the lack of library board oversight over the library director.

RECOMMENDATION:

Employees should only be paid for actual time worked based on accurate time sheets. The library board should take steps to ensure appropriate oversight for the library director's time reporting.

FINDING 2: The full-time status of the library director is questionable

The full-time status of the library director is questionable based on information obtained from employee interviews and our review of employee time sheets. The department's interpretation of their personnel policy classifies a full-time employee as any employee who works 32 hours per week. The employee handbook states that all benefits are intended to apply only to full-time employees. The library director did not maintain documentation to support total hours worked per week plus the deficiency noted in Finding 1 above; therefore, we question whether she worked the required 32 weekly hours to be considered full time.

The library director received gross pay totaling \$32,999.91 and \$35,307.63 for fiscal years ending June 30, 2016, and 2017, respectively, and per policy was required to work 32 hours per week (Monday - Thursday 8:00 a.m. - 4:30 p.m.) to retain full-time employee status/benefits. As noted, we could not determine the actual time worked by the library director and therefore question the full-time employment status of the library director. The county's estimated cost of benefits for this employee for the period examined, including leave and retirement, totaled \$12,734.47. We question the full-time benefits received based on the deficiencies noted above.

RECOMMENDATION:

The Smith County Finance Department and Library Board should determine the employment status of the library director based on the provisions of the department's personnel policy. The department should only provide benefits authorized in the personnel policy.

FINDING 3: The library board did not provide adequate oversight

The library board did not provide adequate oversight and did not establish internal controls to ensure accountability of library personnel. The library board did not ensure that the library director was properly preparing her time sheets or was working the required full-time hours to receive the benefits of a full-time employee. The lack of oversight by board members contributed to the failure to properly account for time worked and full-time employment benefits.

RECOMMENDATION:

The library board should determine the amounts paid to the library director for any time not worked as well as for any unauthorized full-time employee benefits received and take steps to recover any unearned amounts. The library board should provide adequate oversight of library operations and develop internal procedures to improve accountability.