



COMPTROLLER'S INVESTIGATIVE REPORT

Hickman County Maintenance Department

February 16, 2024

Jason E. Mumpower
Comptroller of the Treasury



DIVISION OF INVESTIGATIONS



JASON E. MUMPOWER
Comptroller

February 16, 2024

Major Jim Bates
114 North Central Avenue
Suite 204
Centerville, TN 37033

Hickman County Management:

The Office of the Comptroller of the Treasury conducted an investigation of selected records of the Hickman County Maintenance Department, and the results are presented herein.

Copies of this report are being forwarded to Governor Bill Lee, the State Attorney General, the District Attorney General of the 32nd Judicial District, certain state legislators, and various other interested parties. A copy of the report is available for public inspection in our Office and may be viewed at <http://www.comptroller.tn.gov/ia/>.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jason E. Mumpower", with a long horizontal flourish extending to the right.

Jason E. Mumpower
Comptroller of the Treasury

JEM/MLC

INVESTIGATIVE REPORT

Hickman County Maintenance Department

The Office of the Comptroller of the Treasury investigated allegations of malfeasance related to the Hickman County Maintenance Department. This investigation was initiated after Hickman County officials reported questionable purchases. The investigation was limited to selected records for the period from July 2017 through June 2022. The results of the investigation were communicated with the Office of the District Attorney General of the 32nd Judicial District.

BACKGROUND



The Hickman County (county) Maintenance Department (department) is responsible for maintenance of Hickman County government buildings and offices. Over time, the department has consisted of a maintenance director and one or two janitors. James “Randy” Lynn (Lynn) was the maintenance director from November 1, 2004, until termination of his employment on March 11, 2022. As maintenance director, Lynn was responsible for the day-to-day operation of the maintenance department including purchasing the necessary maintenance supplies, parts, and equipment, as well as approving all expenses

charged to the maintenance budget to ensure maintenance work was complete.

RESULTS OF INVESTIGATION

1. FORMER MAINTENANCE DIRECTOR JAMES “RANDY” LYNN MISAPPROPRIATED COUNTY FUNDS TOTALING AT LEAST \$29,960.46

During the period from July 1, 2017, through March 11, 2022, former Hickman County Maintenance Director James “Randy” Lynn misappropriated county funds totaling at least \$29,960.46. Lynn used the county’s Lowe’s Home Improvement (Lowe’s) credit card and the county’s charge account at a local hardware store to purchase items for his personal benefit. Lynn stated on the purchase requests that he was purchasing “supplies” for the maintenance department. However, investigators determined the “supplies” that Lynn purchased were for his personal use and benefit. These items included laundry supplies, home décor, and kitchen and bath items. Lynn also purchased items that could have been used for the benefit of the county, but upon inspection of county property inventory by investigators and confirmations

by county employees, items were unaccounted for and not available for use by the county at the time of the investigation.

A. Lynn misappropriated funds totaling \$8,859.70 using the county's Lowe's Credit Card

Lynn used the county's Lowe's credit card to make purchases totaling \$8,859.70 for his personal use and benefit. Included in Lynn's personal purchases were an electric range and convection oven, a Maytag washer and dryer, a Dyson vacuum, a gas lawn mower, home goods, Christmas décor, and Christmas bedding.

Investigators noted that Lynn purchased a Craftsman V20 reciprocating saw from Lowe's on June 16, 2020, for \$75.05. Fifty-four days later, on August 9, 2020, a family member of Lynn's posted to an online marketplace an identical "Craftsman Reciprocating Saw (tool only) no battery and no charger" for sale for \$50, stating that the item had "Never been opened. Never has been took out of the box so it's brand new." [Refer to Exhibit 1.]

Exhibit 1



Screenshot of saw posted for sale by Lynn's family member

B. Lynn misappropriated funds totaling \$21,100.76 using the county's account at a hardware store

Lynn charged \$21,100.76 to the county's account at a local hardware store for his personal use and benefit. Included in his purchases were a Milwaukee drain cleaner, large-gauge copper wire, and other power tools and equipment. Investigators noted that on January 22, 2021, Lynn purchased a water heater and drain pan for \$367.65 and indicated on the invoice at the time of purchase that the water heater was for the "east library". [Refer to Exhibit 2.] Investigators determined that East Hickman Library did not receive a new water heater and that the serial number on the water heater Lynn purchased did not match the serial number on the water heater located at the East Hickman Library. Instead of going to the East Hickman Library as Lynn indicated, the water heater Lynn purchased was determined to have been in the custody of a family member of Lynn.

Exhibit 2

INVOICE

INVOICE #	313492
ACCOUNT #	50
DATE	22-Jan-21
TIME	08:18
TERMINAL	20
PAGE #	1

SOLD TO:
729-2492
HICKMAN COUNTY
114 N. CENTRAL AVE
SUITE #204
CENTERVILLE, TN 37033


SHIP TO:
HICKMAN COUNTY
114 N. CENTRAL AVE
SUITE #204
CENTERVILLE, TN 37033

ITEM	DESCRIPTION	QTY	SALE	U/M	EXT
50WHR 5332309 serial number M462000331	WATER HEATER ELEC MED 50GAL 6Y	1.00	360.19	EA NET	360.19
6803001	DRAIN PAN PLASTIC 22IN	1.00	7.46	EA	7.46
PO #	JAN 17043 \$3000.00			CHARGE	367.65

I AGREE TO PAY THE ABOVE PLUS ANY COLLECTION FEES AND ATTORNEY COSTS. **PAID**

KL

SIGNATURE east library



FEB 02 2021

SUBTOTAL \$	367.65
TAX \$	0.00
TOTAL \$	367.65

PLEASE RETAIN RECEIPT FOR ANY RETURNS. PRODUCTS MUST BE IN ORIGINAL CONDITION & PACKAGE FOR CREDIT

Invoice from the hardware store indicating the water heater was for the "east library"

Lynn purchased over \$17,000 in large-gauge copper wire from the hardware store. Investigators noted that on 14 occasions, Lynn sold “Bare Bright” copper to a recycling center as scrap, often within days of purchasing large-gauge copper wire at the hardware store. [Refer to Exhibit 3.] Lynn received payments totaling \$3,782.05 for the copper he sold to the recycling center.

Exhibit 3

Date Wire Purchased	Weight of Wire Purchased (lb.)	Total Weight	Date Wire Sold as Scrap	Weight of Wire Sold (lb.)
04/03/19	5.320			
04/03/19	41.580			
04/05/19	35.880			
		82.780	04/05/19	80
10/02/20	46.200			
10/02/20	152.375			
		198.575	10/02/20	177
10/29/21	41.580			
10/29/21	51.750			
		93.330	10/30/21	93

A sample schedule of wire Lynn purchased from the hardware store compared with wire Lynn sold as scrap

Summary of Misappropriation by James “Randy” Lynn				
	Hardware			
	Lowe’s	Store	Total	
Appliances	\$ 2,898.12	\$ 510.15	\$ 3,408.27	
Bath	299.69		299.69	
Christmas	619.76		619.76	
Equipment	1,737.56	\$ 2,815.40	4,552.96	
Home Goods	1,974.92		1,974.92	
Kitchen	144.35		144.35	
Laundry Supplies	1,185.30		1,185.30	
Wire		17,775.21	17,775.21	
Total Misappropriation	\$ 8,859.70	\$ 21,100.76	\$ 29,960.46	

2. FORMER MAINTENANCE DIRECTOR JAMES “RANDY” LYNN MADE QUESTIONABLE PURCHASES TOTALING \$4,578.69

Between July 1, 2017, and March 11, 2022, Lynn made questionable purchases of 191 items totaling \$4,578.69. Examples of questionable purchases included window blinds, candles, and

toilet paper. Investigators were unable to determine whether the items Lynn purchased were for the exclusive use and benefit of the county.

On December 6, 2023, the Hickman County Grand Jury indicted James “Randy” Lynn for one count of Theft of Property over \$10,000, one count of Fraudulent Use of a Credit Card over \$2,500, and one count of Official Misconduct.

The charges and allegations contained in the indictment are merely accusations of criminal conduct, and not evidence. The defendant is presumed innocent unless and until proven guilty beyond a reasonable doubt and convicted through due process of law.

[Hickman County Maintenance Department Investigative Exhibit](#)

INTERNAL CONTROL AND COMPLIANCE DEFICIENCIES

Our investigation revealed the following deficiencies in internal controls and compliance, some of which contributed to Lynn’s ability to perpetrate his misappropriation without prompt detection:

Deficiency 1: County officials failed to ensure the former maintenance director maintained an inventory list of equipment

County officials failed to ensure the former maintenance director maintained an inventory list of equipment. The county’s “Capital Assets Policies and Procedures” required that “all county officials/department are required to prepare and maintain an annual inventory of all assets assigned to their respective department.” Failure to ensure that county assets are properly inventoried increases the risk of loss.

Deficiency 2: County officials failed to adequately review invoices and supporting documentation

County officials failed to adequately review invoices and supporting documentation for purchases made by the former maintenance director to ensure accuracy and validity. The county had no legitimate need or use for some of the items Lynn purchased, such as a fireplace screen, a bathtub faucet, and a baby safety gate. Failure to adequately review invoices and supporting documentation increases the risk that errors or misappropriations could occur without prompt detection.

Deficiency 3: County officials failed to require the former maintenance director to provide sufficient explanations of purchases

County officials failed to require the former maintenance director to provide sufficient explanations of purchases. To make a purchase, the former maintenance director was required to

first submit a purchase order request and wait for approval before he was authorized to spend county funds. County officials allowed the former maintenance director to submit non-specific purchase order requests for Lowe’s and the hardware store for “supplies,” and he was then allowed to continue making purchases until he spent the requested purchase order amount. Further, he was not required to specify what supplies he was planning to purchase or for which department the supplies were to be purchased. The lack of documentation and explanation required by the county increases the risk of inappropriate purchases.

County officials indicated that they have corrected or intend to correct these deficiencies.
