



COMPTROLLER'S INVESTIGATIVE REPORT

Center Point Volunteer Fire Department

January 26, 2024

Jason E. Mumpower
Comptroller of the Treasury



DIVISION OF INVESTIGATIONS



JASON E. MUMPOWER
Comptroller

January 26, 2024

Honorable Brent Cooper, District Attorney General
22nd Judicial District
P.O. Box 459
32 Public Square
Lawrenceburg, TN 38464

District Attorney General Cooper:

The Office of the Comptroller of the Treasury conducted an investigation of selected records of the Center Point Volunteer Fire 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 22nd 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

Center Point Volunteer Fire Department

The Office of the Comptroller of the Treasury investigated allegations of malfeasance related to the Center Point Volunteer Fire Department. This investigation was initiated after the District Attorney General's Office for the 22nd Judicial District reported concerns of questionable financial activity within the Center Point Volunteer Fire Department. The investigation was limited to selected records for the period August 17, 2022, through January 31, 2023. The results of this investigation were communicated to the Office of the District Attorney General of the 22nd Judicial District.

BACKGROUND



The Center Point Volunteer Fire Department (CPVFD) is located in Lawrence County and provides emergency fire and rescue services to the Leoma community. Additionally, the CPVFD supports, through mutual aid response calls, neighboring volunteer fire departments. Comprised of volunteer members, the CPVFD is supported by contributions from the Lawrence County government, private donations, and fundraisers.

RESULTS OF INVESTIGATION

- **CPVFD MEMBER BRADLEY LEE MISAPPROPRIATED CPVFD FUNDS TOTALING AT LEAST \$ 1,134.56**

Our investigation revealed that between August 17, 2022, and January 31, 2023, Bradley Lee knowingly misappropriated CPVFD funds totaling at least \$1,134.56. Through 17 different unauthorized transactions, Lee used a CPVFD fuel credit card to purchase \$886.55 (**Refer to Exhibit 1**) in fuel for his personal vehicle. Since the CPVFD is a nonprofit organization, Lee's purchases were tax-exempt. As a result, Lee avoided paying \$248.01 in taxes on his personal fuel purchases. Lee admitted to investigators that he used a CPVFD fuel credit card assigned to a CPVFD fire truck to buy fuel for his personal vehicles.

CPVFD officials discovered the personal purchases made by Lee and offered him the opportunity to pay back the personal purchases and retain him as a member of CPVFD. Lee repaid the CPVFD for the personal purchases through two separate payments made in April and May of 2023, and he continues to be an active member of the CPVFD.

Exhibit 1

| | | | | | |
|----------------------|-----------------------------|--------|---------|---------|--------|
| Card ID: 13428 | Description: 13428-Truck 14 | | | | |
| 8/17/2022 11:11:00 | 9552792 Diesel #2 | 14.381 | \$3.858 | \$55.48 | QM #05 |
| Card ID 13428 Total: | | 14.381 | | \$55.48 | |

Excerpt from August 2022 CPVFD fuel credit card invoice reflecting the first fuel purchase by Lee

| Summary of Misappropriation | |
|----------------------------------|--------------------|
| Credit Card Fuel Purchases | \$ 886.55 |
| Taxes Incurred on Fuel Purchases | 248.01 |
| Total Misappropriation: | \$ 1,134.56 |

On January 25, 2024, the Lawrence County Grand Jury indicted Bradley Lee on one count of Theft over \$1,000.

Bradley Lee was also indicted by the Lawrence County Grand Jury on January 25, 2024, of criminal charges resulting from a concurrent investigation of the [Leoma Utility District found here](#).

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.

[Center Point Volunteer Fire Department Investigative Exhibit](#)

INTERNAL CONTROL AND COMPLIANCE DEFICIENCIES

Our investigation revealed deficiencies in internal controls and compliance, which enabled Lee to use the CPVFD fuel credit card to make unauthorized purchases without prompt detection. These deficiencies included:

Deficiency 1: CPVFD did not require members to retain fuel receipts

Each CPVFD fire truck had its own designated fuel credit card that was kept in the vehicle. After calls for service, members would use the fuel credit cards to fill up the fire trucks in preparation for the next call for service. Members were not required to retain receipts for fuel purchases, so no receipts were reconciled to fuel credit card statements/invoices.

Failure to retain and reconcile fuel receipts to monthly fuel credit card invoices increases the risk that errors or misappropriations will occur without prompt detection.

Deficiency 2: CPVFD sold a fire truck but did not immediately deactivate the fuel credit card when the fire truck was sold

CPVFD sold a fire truck in November 2022 used by Lee but failed to deactivate the fuel credit card associated with the fire truck, thus enabling Lee's continued credit card use beyond when the fire truck was sold.

Failure to deactivate fuel credit cards weakens internal controls over fuel purchases and increases the risk of fraud and misappropriation.

The CPVFD indicated that they have corrected or intend to correct these deficiencies.
