



**STATE OF TENNESSEE  
COMPTROLLER OF THE TREASURY  
DEPARTMENT OF AUDIT  
DIVISION OF MUNICIPAL AUDIT**

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**Dennis F. Dycus, CPA, CFE, Director**  
Division of Municipal Audit

September 26, 2011

Honorable Mayor and Members of the  
Town Council  
Town of Huntingdon  
P. O. Box 668  
Huntingdon, TN 38344

Ladies and Gentlemen:

We have completed our investigative audit of selected records of the Town of Huntingdon. The audit focused on the period January 1, 2011, through March 31, 2011. The investigative audit concentrated on voluntary payroll withholdings, such as health, dental, and life insurance. As a result, the audit was primarily limited to an examination of town payroll records and payments made to selected vendors. However, when warranted this scope was expanded.

Our examination revealed that amounts were withheld from the pay of several employees for purposes such as insurance. However, there was no corresponding payment to a vendor. For example, dental premiums were withheld from one employee's pay; however, that employee was not properly enrolled in a dental insurance program until several months after the withholdings had begun.

Our examination also revealed that the request of one employee to terminate insurance coverage was not properly communicated to the insurance company. As a result, the insurance company continued to bill and received premium payments from the town after the employee no longer desired coverage. We also noted that the town did not maintain a written, signed request by the employee to terminate coverage.

Finally, our investigative audit found that the town overpaid one vendor more than \$375. Although the vendor subsequently reimbursed the town, town officials had not detected this error.

Honorable Mayor and Members of the  
Town Council  
Town of Huntingdon  
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The mayor and members of the town council should take immediate corrective action. Corrective action should include a periodic review of payroll withholdings and payments to related vendors to help ensure accuracy.

If you have any questions or need additional information, please contact me.

Very truly yours,

A handwritten signature in black ink, appearing to read "Dennis F. Dycus". The signature is fluid and cursive, with a large initial "D" and "F".

Dennis F. Dycus, CPA, CFE, Director  
Division of Municipal Audit