



Jason E. Mumpower, Comptroller of the Treasury

January 17, 2023

Cheatham County Audit Identifies Fraudulent School Department Fuel Charges

Director of Schools also received bonus without board approval

The annual audit of Cheatham County for the fiscal year ended June 30, 2022 includes seven audit findings, four of which are related to the Cheatham County School District.

Comptroller auditors noted that fuel cards were misused by the school district's transportation department. These fraudulent charges totaled \$59,788.95; however, as of January 14, 2022, the district had been reimbursed \$30,015.42 by its fleet card management company. The school department's failure to have written policies and procedures regarding the use of fuel cards resulted in a net loss of \$29,774.

Auditors also found the Cheatham County director of schools was paid a \$9,000 bonus from federal grant funds. Although the director's bonus met federal documentation requirements, the bonus was not formally approved by the Cheatham County School Board and resulted in her income exceeding her employment contract amount.

Other findings in the report include a failure to issue prenumbered receipts and separate financial responsibilities within the county's ambulance service; a failure to perform system backups each day in the Office of Building and Codes, and poor accounting and capital asset management in the school department.

The Comptroller's Office has included recommendations to address each of the seven audit findings in its report, and the county has provided a Corrective Action Plan to address the issues.

"For many years our office has recommended that Cheatham County adopt a central system of accounting, budgeting, and purchasing," said Comptroller Jason Mumpower. "This is a best practice that would centralize the funds administered by the county mayor, road superintendent, and school department under one office. We believe this would significantly improve accountability and the quality of services provided to the citizens of Cheatham County."

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