



COMPTROLLER'S INVESTIGATIVE REPORT

Hardeman County

May 8, 2019

Justin P. Wilson
Comptroller of the Treasury



DIVISION OF INVESTIGATIONS



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Deputy Comptroller

May 8, 2019

Mayor Jimmy Sain
PO Box 250
Bolivar, TN 38008

and

Hardeman County Board of Commissioners
112 South Main Street
PO Box 313
Bolivar, TN 38008

Ladies and Gentlemen:

The Office of the Comptroller of the Treasury conducted an investigation of selected records of Hardeman County, 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 25th Judicial District, 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 that reads "Justin P. Wilson".

Justin P. Wilson
Comptroller of the Treasury

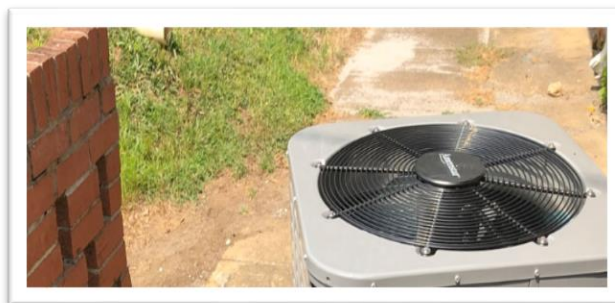
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INVESTIGATIVE REPORT

Hardeman County

We performed an investigation of certain purchases and the installation of HVAC units for several Hardeman County buildings and determined the county complied with its purchasing policy. However, our examination of the vendor's invoices and a physical examination of each unit's model number disclosed the vendor (Joy Heating & Air) did not meet the specifications for the tonnage on each unit as detailed in the invoices. Joy Heating and Air is owned and operated by a city council member of the City of Bolivar. Because of these irregularities, we expanded our scope to determine if the vendor overcharged Hardeman County.

These findings and recommendations have been reviewed with the district attorney for the Twenty-Fifth Judicial District.



RESULTS OF INVESTIGATION

- **A HVAC vendor overbilled the county \$1,609 for the sale and installation of air conditioners**

Our investigation disclosed that a HVAC vendor provided and installed air conditioners that had less tonnage than what the county had ordered.

- A. On August 7, 2017, Joy Heating & Air (Owner: Jonathan Joy) provided an invoice to the county that he installed a 4-ton Ameristar air conditioner unit at the Hardeman County Archives Building for a cost of \$4,600. Our physical examination of the unit's model number specification for tonnage disclosed that the air conditioner's tonnage was 3½ tons, which is ½ ton less than the tonnage noted on the invoice to the county. Therefore, the county was overbilled by approximately \$150.
- B. On December 18, 2017, Joy provided an invoice to the county that he installed a 5-ton Ameristar air conditioner unit at a Hardeman County building for a cost of \$4,950. Our physical examination of the unit's model number specification for tonnage disclosed that the air conditioner's tonnage was 4 tons, which is 1 ton less than the tonnage he noted on the invoice to the county. This unit was later stolen and subsequently replaced by Joy on June 2, 2018 (Refer to item D. below.) Joy provided the serial number and model number to the Bolivar Police Department. He replaced the stolen unit with a 4-ton unit; however, the replacement unit invoice and stolen unit invoice noted a 5-ton unit was installed by the vendor. Therefore, the county was overbilled by approximately \$253.

- C. On January 23, 2018, Joy provided an invoice to the county that he installed a 7½-ton Carrier air conditioner unit at the Hardeman County Health Department Building for a cost of \$9,850. Our physical examination of the unit’s model number specification for tonnage disclosed that the air conditioner’s tonnage was 6 tons, which is 1½ tons less than the tonnage he noted on the invoice to the county. Therefore, the county was overbilled by approximately \$700.
- D. On June 2, 2018, Joy provided an invoice to the county that he installed two 5-ton Ameristar air conditioner units at a Hardeman County building for a cost of \$5,700. Our physical examination of the units’ model number specifications for tonnage disclosed that both air conditioners tonnage was 4-ton units, which is 1 ton less than the tonnage for each unit he noted on the invoice to the county. Therefore, the county was overbilled by approximately \$506.

We were advised by the owner of Joy Heating and Air that he did not verify the tonnage of the units on the invoices that were subsequently sent to the county for payment, and the manufacturer delivered the wrong units; however, we noted the units were ordered from multiple, different manufacturers. The table below summarizes the overbilled amounts:

| Item | Amount Overbilled |
|-------|-------------------|
| A. | \$ 150 |
| B. | 253 |
| C. | 700 |
| D. | 506 |
| | |
| Total | <u>\$ 1,609</u> |

RECOMMENDATION:

Hardeman County officials should take immediate steps to recover the overbilled amounts of approximately \$1,609 paid to the vendor and should obtain and verify documentation that the appropriate goods ordered have been received before invoices are paid.

On May 6, 2019, the Hardeman County Grand Jury indicted Jonathan Joy on one count of Theft over \$1,000 and one count of Official Misconduct.

[Hardeman County Investigative Exhibit](#)
