



COMPTROLLER'S INVESTIGATIVE REPORT

White County Schools Transportation Department

March 21, 2022

Jason E. Mumpower
Comptroller of the Treasury



DIVISION OF INVESTIGATIONS



JASON E. MUMPOWER
Comptroller

March 21, 2022

White County Schools Board of Education
Board Members
576 Hale Street
Sparta, TN 38583

and

White County Schools
Director Kurt Dronebarger
576 Hale Street
Sparta, TN 38583

White County Schools Officials:

The Office of the Comptroller of the Treasury conducted an investigation of selected records of the White County Schools Transportation 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 13th 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 line extending to the right.

Jason E. Mumpower
Comptroller of the Treasury

JEM/MLC

INVESTIGATIVE REPORT

White County Schools Transportation Department

The Office of the Comptroller of the Treasury investigated allegations of malfeasance related to the White County Schools Transportation Department. The investigation was limited to selected records for the period from July 1, 2017, through September 20, 2021. The results of the investigation were communicated with the Office of the District Attorney General of the 13th Judicial District.

BACKGROUND



The White County Schools Transportation Department (department) is in Sparta, Tennessee, and is responsible for bus transportation for students and bus maintenance. The department supervisor is responsible for monitoring and oversight of transportation services for the school district.

RESULTS OF INVESTIGATION

1. THE DEPARTMENT SUPERVISOR ALLOWED EMPLOYEES TO USE DEPARTMENT-OWNED TOOLS AND FACILITIES TO WORK ON PERSONAL VEHICLES

The department supervisor allowed employees to perform maintenance on personal vehicles before and after normal work hours using department-owned tools and facilities. Investigators were advised that no department-owned vehicle parts were used on or purchased for the personal vehicles. The Director of Schools was not aware that work on personal vehicles was occurring using department facilities and tools.

2. THE DEPARTMENT SUPERVISOR ALLOWED EMPLOYEES TO DEPART WORK EARLY WITHOUT USING THEIR ANNUAL LEAVE

At various times, the department supervisor allowed at least two garage employees to depart work early without using their annual leave. Time sheets should reflect actual time worked, including any annual leave used by employees. The garage employees' time sheets in question were completed by the garage secretary. Each time sheet covered a period of two weeks. Each time sheet reflected a set number of hours worked each day and a total of 40 hours per week. Extra hours worked or annual leave taken were not reflected on the time sheets. There was no other

method in place other than the employee time sheets for documenting extra hours worked and annual leave taken.

3. THE DEPARTMENT SUPERVISOR PURCHASED A VEHICLE FOR HIS DAUGHTER WITH PERSONAL FUNDS THROUGH GOVDEALS.COM, BUT TRANSACTION RECORDS INDICATED THE VEHICLE WAS SOLD TO WHITE COUNTY

The department supervisor purchased a vehicle for his daughter with personal funds through govdeals.com, but transaction records indicated the vehicle was sold to White County. When the supervisor purchased the vehicle, he either bought it through his county government govdeals.com account or entered his county government email address, resulting in some transaction records reflecting that the vehicle was purchased for White County rather than his daughter. Although transaction records indicated the vehicle was sold to the White County, investigators determined that the vehicle is owned by and registered to the department supervisor's daughter. Investigators also confirmed that no White County funds were utilized in the purchase of the vehicle.

INTERNAL CONTROL DEFICIENCY

Deficiency: School officials did not provide adequate oversight of operations and did not establish internal controls to protect school assets.

School officials did not provide adequate oversight of operations and did not establish internal controls to protect school assets. Management is responsible for designing internal controls to give reasonable assurance of the reliability of financial reporting and the effectiveness and efficiency of operations. Providing adequate oversight and establishing internal controls reduces the risks that errors or intentional misappropriations will remain undetected. Investigators noted the following deficiencies in internal controls:

- A. School officials had not adopted or implemented a policy explicitly prohibiting the use of the Transportation Department's tools and/or facilities to work on personal vehicles. The department supervisor acknowledged the use of the Transportation Department's tools and facilities to work on personal vehicles. White County Board of Education policies 3.300 and 3.301 address the use of Board of Education equipment and supplies; however, neither policy specifically prohibits the personal use of department tools and facilities.

Board of Education employees hold positions of public trust and therefore must strive to hold themselves to the highest standards and should not engage in any action whether specifically prohibited by statute, regulation, or policy, which might result in or create the appearance of private gain, preferential treatment, or impeding government efficiency. The personal use of the Transportation Department's tools and facilities to work on personal vehicles could expose the Board of Education to certain liabilities.

- B. School officials had not adopted or implemented a policy explicitly prohibiting employees from leaving work early without accurately reflecting annual leave on their time sheets, resulting in inaccurate time sheets being approved and submitted for payment. School officials should strictly prohibit employees from taking annual leave that is not properly documented on their time sheets.

- C. School officials had not adopted or implemented a policy explicitly prohibiting the use of GovDeals.com accounts registered to White County Government or making any reference to White County Government when purchasing items as a private citizen. The department supervisor purchased a vehicle using the department's account as a private citizen, which resulted in the transaction appearing to be a purchase for White County Schools, which is not accurate, and gives the appearance of malfeasance. The department supervisor advised that he either used his official government GovDeals.com account and/or entered his work email address when purchasing the vehicle as a private citizen through GovDeals.com.

School officials should strictly prohibit employees from using their official government GovDeals.com account, government email account, or making any reference to their employment with White County Board of Education when purchasing items through GovDeals.com as a private citizen.

School officials indicated that they intend to correct these deficiencies.
