



COMPTROLLER'S INVESTIGATIVE REPORT

Hickman County Emergency Communications District and Centerville Police Department Dispatch

December 21, 2022

Jason E. Mumpower
Comptroller of the Treasury



DIVISION OF INVESTIGATIONS



JASON E. MUMPOWER
Comptroller

December 21, 2022

Hickman County Emergency Communications District
and Centerville Police Department Dispatch
119 North Central Avenue
Centerville, TN 37033

Hickman County Board of Directors:

The Office of the Comptroller of the Treasury conducted an investigation of selected records of the Hickman County Emergency Communications District and Centerville Police Department Dispatch 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 32nd 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

Hickman County Emergency Communications District and the Centerville Police Department Dispatch

The Office of the Comptroller of the Treasury investigated allegations of malfeasance related to the Hickman County Emergency Communications District and the Centerville Police Department Dispatch. This investigation was initially limited to selected records for the period from June 16, 2019, through January 22, 2022, but was subsequently expanded to include the months beginning January 1, 2019, for salary information. The results of the investigation were communicated with the Office of the District Attorney General of the 32nd Judicial District.

BACKGROUND



The Hickman County Emergency Communications District (district), authorized by Tenn. Code Ann. § 7-86-101, was established to provide county-wide emergency telephone services. The district is governed by a nine-member board of directors that is responsible for its operational directives and organizational oversight. The district is considered a component unit of Hickman County. The county appoints the board of directors, and the county commission may adjust service fees and must approve bonded debt. The district was established for local

emergency telephone services, and it created the primary emergency number for the residents of Hickman County. The district's day-to-day operations are managed by its director. The district is required to follow the *Accounting and Financial Reporting Manual for Tennessee Emergency Communications Districts* prescribed by the Tennessee Comptroller of the Treasury.



The Centerville Police Department Dispatch (dispatch center) provides enhanced 911 emergency telephone service, which ties a physical location to an emergency call. Dispatchers answer 911 emergency calls and route responders to the scenes of emergencies. While day-to-day operations are managed by the dispatch supervisor, the chief of police manages the police department, which includes the dispatch center.



The Town of Centerville and the district have an active interlocal agreement in place, since at least 2016. The interlocal agreement establishes financial and operational parameters between the Town of Centerville and the district. The terms of the agreement state that the agreement will automatically renew each year, unless one of the parties wishes to make a change or wants to terminate the agreement.

Prior to 2022, the district operated from the dispatch center building; however, presently the district and dispatch center operate in separate locations.

Beginning in at least 2014, the same person served as the district director and the dispatch supervisor. The time and attendance of the district director/dispatch supervisor overlapped; therefore, investigators could not determine actual time worked in both positions during a normal workweek. The district director/dispatch supervisor prepared timesheets for the town, but he did not maintain any timesheets for his duties as the district director.

The district director/dispatch supervisor retired in May 2022, but the district retained him thereafter as a consultant.

RESULTS OF INVESTIGATION

• THE DISTRICT DIRECTOR/DISPATCH SUPERVISOR HAD A QUESTIONABLE EMPLOYMENT ARRANGEMENT

A. The district director/dispatch supervisor role was performed by the same person through a questionable employment arrangement. The district and the Town of Centerville entered into a verbal agreement to share the labor of one employee. This employee was the dispatch supervisor, and in 2014 was also named as the district’s director without any written agreement between the two entities. Investigators could not verify when this employee became the district director because the district maintains no documentation for its personnel. According to district board members and the district director/dispatch supervisor, the verbal agreement had been in place since approximately 2014. The purpose of the arrangement was to combine the overlapping responsibilities of these two positions. The district board chairman stated that the agreement was for the district director/dispatch supervisor to work no more than 40 hours per week at the dispatch center, and any overtime worked was to be considered work for the district. Both positions were salaried positions. Due to the lack of documentation, investigators question the validity of this agreement, the actual time worked by the district director/dispatch supervisor, and the compensation received from both positions. Information obtained from the district and the Town of Centerville show the combined district director/dispatch supervisor’s salary listed in **Table 1** below.

Table 1

District Director/Dispatch Supervisor Salary			
<i>Year</i>	<i>District Director</i>	<i>Dispatch Supervisor</i>	<i>Total for the Year</i>
2019	\$22,799.94	\$37,100.60	\$59,900.54
2020	\$24,107.63	\$38,129.16	\$62,236.79
2021	\$23,299.94	\$39,835.45	\$63,135.39

Timesheets for the dispatch center’s employees did not always reflect actual time worked at the dispatch center. This deficiency was a long running permissible practice as management and human resources accepted these documents and processed payroll for the period that investigators reviewed. The failure to accurately record actual time worked on employee timesheets increases the risks of improper payments. This risk was inherently increased because town management also failed to enforce its own policy relating to approving and documenting employees’ outside employment. The town had no documentation of time worked, and no documentation or approval of employees’ working outside employment, so there was no way to verify if anyone was abusing their work schedule to the town’s detriment.

The chief of police approved the district director/dispatch supervisor’s timesheets. If the chief of police was unavailable to approve the timesheets, the assistant chief of police would approve the timesheets. According to the chief of police, there should always be a signature approving the timesheets. Between June 16, 2019, and January 22, 2022, the district director/dispatch supervisor failed to properly maintain timesheets. Errors noted on the timesheets are listed in **Table 2** below.

Table 2

Errors Noted on Timesheets	
Type of Errors	Number of Occasions
Missing Hours Worked	73
Missing Approval Signature	20
Other Signature Besides Chief of Police	19
Unknown Signature	13
Date Error	3
Timesheet Appears to be Filled Out by Someone Else	2
Multiple Timesheets for Same Period	1

- B. The chief of police was the supervisor of the district director/dispatch supervisor while he worked at the dispatch center. The chief of police was also on the board of directors for the district while the district director/dispatch supervisor served as the director at the district. This arrangement created the appearance of a conflict of interest, and the possibility of an override of controls especially due to the lack of records that were maintained. Both agencies maintained and operated under a verbal agreement regarding the district director/dispatch supervisor’s work schedule at each agency, his salary at the district, and his time reporting obligations. The chief of police was concurrently in two positions of supervisory authority over the district director/dispatch supervisor, and that created an inherent actual or apparent conflict of interest that impaired the ability of the chief of police to objectively act in the best interest of each publicly funded agency.

INTERNAL CONTROL AND COMPLIANCE DEFICIENCIES

Our investigation revealed deficiencies in internal controls and compliance. These deficiencies included:

Deficiency 1: The Town of Centerville failed to enforce its written policies and procedures

The Town of Centerville has a policy governing its employees working outside employment, which states that a written approval of outside employment is required to be submitted and signed by the mayor annually. Both the district and the dispatch center entered into a verbal agreement to share the labor of one employee. The district director/dispatch supervisor did not have any documentation of the required approval for outside employment in his personnel file. Both the district director/dispatch supervisor and the Town of Centerville violated the outside employment policy beginning in approximately 2014 when the dispatch supervisor also became the director of the district.

Deficiency 2: The district failed to maintain written policies and procedures

According to the *Accounting and Financial Reporting Manual for Tennessee Emergency Communications Districts*, emergency communications districts should maintain written policies and procedures for internal controls, travel, personnel, and purchasing. Personnel policies should include written job descriptions and purchasing policies should specify individuals authorized to make purchases.

There were interlocal agreements in place which changed in 2010 and 2016. The interlocal agreements called for the sharing of certain responsibilities, assets, and resources between the town and the district. This agreement included hardware, software, office space, and personnel, other than the director of the district. The parties failed to include the district's director in the interlocal agreement. The district's board and the town indicated they did not remember when the last interlocal agreement was updated or why the district's director was not included in the agreement.

Deficiency 3: The district's board of directors failed to provide formal board meeting minutes

According to the *Accounting and Financial Reporting Manual for Tennessee Emergency Communications Districts*, formal minutes must be maintained for all meetings of the board of directors and should be approved by the board in a subsequent meeting. These minutes must include the budget adopted and any subsequent amendments. A financial report of the district's activities must be provided at every regularly scheduled meeting of the board. The minimum guidelines for the board meeting's financial report shall be as of the most recent month ended prior to the meeting. The report shall include a statement of net position, statement of revenues, expenses, and changes in fund net position, budgetary statement that compares the year-to-date budget with actual revenues and expenditures, and a listing of all investment accounts including a



Hickman County Emergency Communications District and Centerville Police Department Dispatch

summary of investment activity for each account. Investigators found no documentation that the district's board was provided any of this information at their monthly meetings.

Officials at both the district and the dispatch center indicated that they have corrected or intend to correct these deficiencies.
