



## COMPTROLLER'S INVESTIGATIVE REPORT

# Houston County Volunteer Fire Department

*July 29, 2022*

**Jason E. Mumpower**  
*Comptroller of the Treasury*



**DIVISION OF INVESTIGATIONS**



JASON E. MUMPOWER  
*Comptroller*

July 29, 2022

Houston County Volunteer Fire Department  
2400 West Main Street  
Erin, TN 37061

Houston County Volunteer Fire Department:

The Office of the Comptroller of the Treasury conducted an investigation of selected records of the Houston County Volunteer Fire 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 23<sup>rd</sup> 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 flourish extending to the right.

Jason E. Mumpower  
Comptroller of the Treasury

JEM/MLC

# INVESTIGATIVE REPORT

## HOUSTON COUNTY VOLUNTEER FIRE DEPARTMENT

The Office of the Comptroller of the Treasury investigated allegations of malfeasance related to the Houston County Volunteer Fire Department (HCVFD). This investigation was initiated after the Houston County Mayor identified and reported questionable purchases and personal cell phone services that were billed to the county. The investigation was limited to selected records for the period from March 1, 2020, through October 31, 2021. The results of the investigation were communicated with the Office of the District Attorney General of the 23<sup>rd</sup> Judicial District.

### BACKGROUND



Houston County is governed by a county mayor and 14 county commissioners who represent seven districts within the county. The HCVFD is a volunteer fire service that provides emergency fire and rescue services to citizens of Houston County that live outside of the City of Erin, which is the county seat. The HCVFD fire chief is a paid employee of the county and under the direct supervision of the county mayor; all other positions with the HCVFD are on a volunteer basis. The employment of the fire chief was terminated in October 2021.

### RESULTS OF INVESTIGATION

#### 1. THE HCVFD FIRE CHIEF OBTAINED PERSONAL CELL PHONE SERVICES IN THE NAME OF HOUSTON COUNTY WITHOUT AUTHORIZATION

In October 2021, the Houston County Mayor's Office received a bill from a cell phone provider related to the HCVFD totaling \$1,513.42. The mayor contacted the fire chief and discovered the fire chief had obtained personal cell phone services for himself and volunteers in the county's name without authorization. Investigators determined that the fire chief contracted with the cell phone provider to receive a "first responder discount" on monthly bills in March 2019. The fire chief had two cell phones, fire fighters had six cell phones, and an administrative employee had one cell phone on the service agreement, all of which were phones used for their personal benefit. The fire chief personally collected money each month from each individual for their portion of the cell phone bill and then paid the cell phone bill monthly without submitting payment through the county. After the fire chief's employment was terminated in October 2021, the fire chief did not continue making the monthly payments for his share of the bill. Eventually the cell phone provider sent the unpaid bill to the Houston County Mayor's Office.

The Houston County Mayor entered into a verbal agreement with the fire chief for him to personally pay the outstanding balance of the cell phone bill, and the fire chief made the final payment on the outstanding balance in February 2022. The cell phone service contract has since been terminated.

The fire chief failed to adhere to the Houston County cell phone policy adopted March 15, 2021, which provides that only those elected officials or employees of the county who are authorized, based on the needs of the county, may use a county-provided cell phone.

## **2. THE FIRE CHIEF CIRCUMVENTED ESTABLISHED PURCHASING PROCEDURES WHEN PROCURING ITEMS FOR THE DEPARTMENT**

The County Purchasing Law of 1983, Sections 5-14-201 through 5-14-206, *Tennessee Code Annotated (TCA)*, govern purchasing procedures for the Houston County general government. These statutes require that purchases exceeding \$10,000 be made after public advertisement and solicitation of competitive bids.

Between March 1, 2020, and October 31, 2021, the fire chief procured \$22,627.28 in equipment and supplies for the HCVFD, outside the limits of the approved budget and appropriations for the department. Section 5-14-203, *TCA, Limits on Purchases*, specifically provides that “All purchases made from funds subject to the authority of this part shall be made within the limits of the approved budget and the appropriations made for the department, office or agency for which the purchase is made.”

The fire chief did not identify whether the purchases were from a single source of supply or obtained through a competitive bid process. Section 5-14-204, *TCA, Bidding-Exceptions*, allows for the procurement of goods and services from a single source of supply when there is not a competitive means for procuring such items. However, a record of sole source purchases must be maintained by the person or body authorizing the sole source purchase(s), and sole source purchases must be reported to the county governing body and the county mayor. Since the fire chief did not adhere to state law, it cannot be determined if the purchases in question were sole source or obtained through competitive means.

It should be noted that all the equipment purchased by the fire chief was accounted for by the HCVFD.

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