



## COMPTROLLER'S INVESTIGATIVE REPORT

# Leapwood Volunteer Fire Department

*June 30, 2022*

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



**DIVISION OF INVESTIGATIONS**



JASON E. MUMPOWER  
*Comptroller*

June 30, 2022

McNairy County Mayor  
and Board of Commissioners  
170 West Court Avenue, Suite 201  
Selmer, TN 38375

McNairy County Officials:

The Office of the Comptroller of the Treasury conducted an investigation of selected records of the Leapwood 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 25<sup>th</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

## Leapwood Volunteer Fire Department

The Office of the Comptroller of the Treasury investigated allegations of malfeasance related to the Leapwood Volunteer Fire Department. The Comptroller's Office initiated the investigation after receiving an allegation from the McNairy County Sheriff's Department. The investigation was limited to selected records for the period from September 1, 2019, through September 30, 2020. The results of the investigation were communicated with the Office of the District Attorney General of the 25<sup>th</sup> Judicial District.

### BACKGROUND



The Leapwood Volunteer Fire Department (department), also known as the McNairy County Fire Department, Station 12, is in Adamsville, Tennessee, and provides fire protection and emergency response services to the Adamsville community. The department's mission is to prevent the loss of life and property. The department responds to fires, medical emergencies, motor vehicle accidents, rescue calls, and incidents involving hazardous materials.

The impropriety against the department was conducted by a former Leapwood volunteer firefighter who served with the department from approximately 2004 until his death on September 10, 2020.

### RESULTS OF INVESTIGATION

- **A FORMER LEAPWOOD VOLUNTEER FIRE DEPARTMENT FIREFIGHTER MADE UNAUTHORIZED ATM CASH WITHDRAWALS TOTALING \$12,087.49**

Our investigation revealed that between September 1, 2019, and October 31, 2019, a former volunteer firefighter made unauthorized ATM cash withdrawals from the department's bank account totaling \$12,087.49 using the department's debit card, which was issued in the name of the department's fire chief. The fire chief informed investigators that he had not been informed by bank personnel that he would be receiving a new debit card in the mail because the department's bank was changing its name. The fire chief stated the former volunteer firefighter, which is his son, took possession of this newly issued debit card along with the associated pin number after these items were mailed to the chief's home.

Investigators analyzed the department's bank statements over this two-month period and determined that the former volunteer firefighter made several ATM debit card cash withdrawals at various ATM machines. Bank personnel provided the department with a bank security camera photo of the former volunteer firefighter at an ATM using the department's debit card to make a cash withdrawal. The department fire chief held a meeting on February 18, 2020, for department members to discuss this issue, and during the meeting he assured department members that the debit card in question had been deactivated prior to the meeting. Also, during the meeting, the former volunteer firefighter was shown the bank security camera photo of him making a cash withdrawal using the department's debit card, which led him to admit and apologize for his improper actions.

As a result of the death of the former volunteer firefighter on September 10, 2020, any further criminal investigation or prosecution in this matter is now abated.

Pursuant to *Tennessee Code Annotated*, Section 20-5-103, the death does not abate any civil cause of action that Leapwood Volunteer Fire Department might otherwise have against the estate or personal representative of the former volunteer firefighter for recovery of misappropriated or converted funds.

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## INTERNAL CONTROL DEFICIENCY

Our investigation revealed a deficiency in internal control, which contributed to the former volunteer firefighter's ability to withdraw unauthorized cash from the department's bank account without prompt detection. This deficiency is noted below:

**Deficiency: Department officials did not provide adequate oversight over the department's finances**

Department officials did not provide adequate oversight over the department's finances. The former firefighter made unauthorized ATM cash withdrawals without anyone reviewing or reconciling department bank statements. Department officials are responsible for designing internal controls to give reasonable assurance of the reliability of financial transactions and the effectiveness and efficiency of operations. Providing increased oversight by reviewing and reconciling bank statements in a timely manner reduces the risks that errors or intentional misappropriations will occur and remain undetected.

Department officials indicated that they have corrected or intend to correct the deficiency.

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