



COMPTROLLER'S INVESTIGATIVE REPORT

Fentress County Rescue Squad, Inc.

June 24, 2024

Jason E. Mumpower
Comptroller of the Treasury



DIVISION OF INVESTIGATIONS



JASON E. MUMPOWER
Comptroller

June 24, 2024

Fentress County Rescue Squad, Inc.
222 Duncan Street
Jamestown, TN 38556

Fentress County Rescue Squad, Inc. Officials:

The Office of the Comptroller of the Treasury conducted an investigation of selected records of the Fentress County Rescue Squad, Inc., 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 8th 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", is written over the typed name.

Jason E. Mumpower
Comptroller of the Treasury

JEM/MLC

INVESTIGATIVE REPORT

Fentress County Rescue Squad, Inc.

The Office of the Comptroller of the Treasury, in conjunction with the Fentress County Sheriff's Department, investigated allegations of malfeasance related to the Fentress County Rescue Squad, Inc. This investigation was initiated after Fentress County Rescue Squad, Inc. officers reported concerns of questionable financial activity. The investigation was limited to selected records for the period December 2022 through December 2023. The results of the investigation were communicated with the Office of the District Attorney General of the 8th Judicial District.

BACKGROUND



The Fentress County Rescue Squad, Inc. (rescue squad), located in Jamestown, Tennessee, was chartered as a nonprofit in 1968 and provides services including first aid, search and rescue, vehicle extrication, and other emergency aid within Fentress County. The rescue squad is primarily funded by contributions from Fentress County and fundraising events.

The rescue squad is governed by officers, including a captain, 1st lieutenant, 2nd lieutenant, sergeant, secretary, treasurer, chaplain, historian, parliamentarian, and unit director. On December

5, 2022, rescue squad members elected Mark Crabtree as captain. As captain, Crabtree was responsible for rescue squad performance and operations. In early 2023, after the former treasurer left the rescue squad, Crabtree assumed all rescue squad treasurer and financial duties. On January 27, 2024, rescue squad members removed Crabtree as captain and removed him from all rescue squad bank accounts as well as all assumed treasurer and financial duties.

RESULTS OF INVESTIGATION

1. FORMER CAPTAIN MARK CRABTREE MISAPPROPRIATED FENTRESS COUNTY RESCUE SQUAD, INC. FUNDS TOTALING AT LEAST \$22,829.13

Our investigation revealed that between December 2022 and December 2023, Crabtree knowingly misappropriated rescue squad funds totaling at least \$22,829.13, as follows:

A. Checks to Crabtree

Crabtree knowingly misappropriated at least \$11,700 from the rescue squad bank account by writing seven unauthorized checks to himself for personal use. During the period reviewed, the rescue squad required dual signatures on all checks, and Crabtree and the former treasurer were the only authorized signatories on the rescue squad bank account. Investigators determined that Crabtree drafted checks to himself (**Refer to Exhibit 1**), signed both his and the former treasurer's names, and either cashed the checks or deposited them into his personal bank account. Crabtree told investigators that he used the funds for personal expenses, which were not for authorized rescue squad purposes.

Exhibit 1



April 24, 2023, rescue squad check for \$1,000 payable to and signed by Crabtree

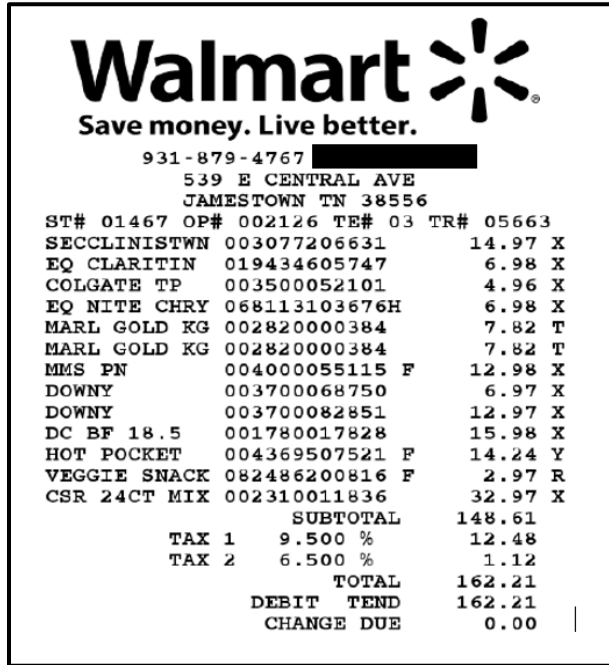
B. Cash Withdrawals

Crabtree knowingly misappropriated at least \$9,943 from the rescue squad bank account by making 47 unauthorized ATM withdrawals and one over-the-counter cash withdrawal. Investigators determined that Crabtree was in full control of the rescue squad bank account when these unauthorized withdrawals occurred. Crabtree told investigators that he used the cash for his personal benefit.

C. Unauthorized Personal Transactions

Crabtree knowingly misappropriated at least \$1,186.13 from the rescue squad bank account by making 18 personal purchases using the rescue squad debit card and a retail credit card. Investigators determined that the rescue squad had a retail account with two credit cards, one assigned to Crabtree and one assigned to the former treasurer. The rescue squad paid the retail credit card statements using funds from the rescue squad bank account. Crabtree told investigators he used the rescue squad debit card and retail credit card to purchase various personal items (**Refer to Exhibit 2**).

Exhibit 2



Unauthorized personal purchases made using the rescue squad debit card including cigarettes, deodorant, allergy medicine, and fabric softener

Summary of Misappropriation by Mark Crabtree	
A. Checks to Crabtree	\$ 11,700.00
B. Cash Withdrawals	9,943.00
C. Unauthorized Personal Transactions	1,186.13
Total Misappropriation	\$ 22,829.13

On June 20, 2024, the Fentress County Grand Jury indicted Mark Crabtree on one count of Theft over \$10,000, one count of Forgery over \$10,000, and one count of Fraudulent use of Credit or Debit Card over \$1,000.

The charges and allegations contained in the indictment are merely accusations of criminal conduct, and not evidence. The defendant is presumed innocent unless and until proven guilty beyond a reasonable doubt and convicted through due process of law.

[Fentress County Rescue Squad Investigative Exhibit](#)

INTERNAL CONTROL DEFICIENCIES

Our investigation revealed deficiencies in internal control, some of which contributed to Crabtree's ability to perpetrate his misappropriation without prompt detection. These deficiencies included:

Deficiency 1: Rescue squad officers did not adequately segregate financial duties among members

Rescue squad officers did not adequately segregate their financial duties. Crabtree was responsible for maintaining records and was involved in collecting, depositing, and/or disbursing funds. Sound business practices dictate that rescue squad officers should be responsible for designing and implementing internal controls to give reasonable assurance of the reliability of financial reporting and the effectiveness and efficiency of operations. Allowing one member to maintain exclusive control over all financial duties increases the risk that fraud, waste, or abuse will occur without prompt detection.

Deficiency 2: Rescue squad officers failed to maintain adequate supporting documentation for disbursements and cash withdrawals

Rescue squad officers failed to require or retain invoices, vendor receipts, or other adequate supporting documentation for multiple transactions using rescue squad funds to document the appropriateness of the transactions. Maintaining documentation such as invoices or receipts allows members to verify that purchases are proper and reasonable. Failure to retain and review supporting documentation for purchases increases the risk that errors or misappropriations could occur without prompt detection.

Deficiency 3: Rescue squad officers failed to adequately account for collections

Rescue squad officers did not oversee, document, or account for fundraisers and other collections. Therefore, investigators could not determine if all collections were properly deposited to the rescue squad bank account. Officers did not require, prepare, or review profit analyses for fundraisers and did not adequately account for or safeguard inventory. Providing adequate accountability and oversight of collections helps ensure all collections are accounted for and used to further the objectives of the rescue squad.

Rescue squad officers indicated that they have corrected or intend to correct these deficiencies.
