



COMPTROLLER'S INVESTIGATIVE REPORT

Supervisory Services, Inc.

May 8, 2025

Jason E. Mumpower
Comptroller of the Treasury



DIVISION OF INVESTIGATIONS



JASON E. MUMPOWER
Comptroller

May 8, 2025

Carroll County Mayor and
Board of Commissioners
625 High Street
Huntingdon, TN 38344

and

Weakley County Mayor and
Board of Commissioners
116 West Main Street
Dresden, TN 38225

Officials:

The Office of the Comptroller of the Treasury conducted an investigation of selected records of the Supervisory Services, Inc., and the results are presented herein.

Copies of this report are being forwarded to Governor Bill Lee, the State Attorney General, the District Attorneys General of the 24th and 27th Judicial Districts, 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 that reads "Jason E. Mumpower". The signature is stylized and includes a long horizontal line extending to the right.

Jason E. Mumpower
Comptroller of the Treasury

JEM/MLC

INVESTIGATIVE REPORT

Supervisory Services, Inc.

The Office of the Comptroller of the Treasury investigated allegations of malfeasance related to Supervisory Services, Inc., which provides probation services to Weakley County General Sessions Court and Carroll County General Sessions and Circuit Courts. The investigation was initiated at the request of the District Attorney General of the 24th Judicial District. The investigation was limited to selected records for the period July 1, 2023, through September 30, 2024. The results of the investigation were communicated with the Offices of the District Attorneys General of the 24th Judicial District and 27th Judicial District.

BACKGROUND



Supervisory Services, Inc. (SSI) is a private probation company established in 1992, based in Dresden, Tennessee, with an additional office in Huntingdon. SSI provides probation supervision for misdemeanor offenders who are sentenced to supervised probation in both Carroll and Weakley Counties. SSI also supervises felony offenders

sentenced under judicial diversion. Tenn. Code Ann. § 40-35-302 states that the general sessions court may use a county, public, or private probation company for supervision of individuals convicted of misdemeanor crimes. In 1992, Weakley County began utilizing SSI as its probation service provider, and in 1993, Carroll County began using SSI for its probation services.

Teresa Suzanne Dillingham was hired as a probation officer for SSI on April 23, 1997. Dillingham was the only probation officer in the Huntingdon office and was responsible for the direct supervision of all probationers from Carroll County, as well as some probationers from Weakley County. Dillingham was responsible for meeting with probationers monthly, establishing court payment plans, and ensuring compliance with probation orders. On August 1, 2024, SSI suspended Dillingham after discovering that payments she received from probationers had not been remitted to the courts. On August 6, 2024, Dillingham resigned from her position with SSI.

RESULTS OF INVESTIGATION

- 1. FORMER PROBATION OFFICER TERESA SUZANNE DILLINGHAM MISAPPROPRIATED AT LEAST \$17,526.62 OF PROBATIONER COURT COSTS AND FEES**

Sometime around 2018, Dillingham began accepting court costs and fees from probationers in the form of cash and money orders. Upon receiving these payments, Dillingham was responsible for recording the date and amount received in the SSI computer software and remitting the funds to the appropriate court. Dillingham was the only SSI probation officer who accepted court costs and fees from probationers and the only SSI employee responsible for remitting the funds to Carroll County General Sessions Court (CCGS) and Carroll County Circuit Court (CCCC) to be receipted by the court clerk's offices. Other SSI officials were responsible for remitting court costs and fees to the Weakley County General Sessions Court Clerk's Office (WCGS) after receiving the funds from Dillingham.

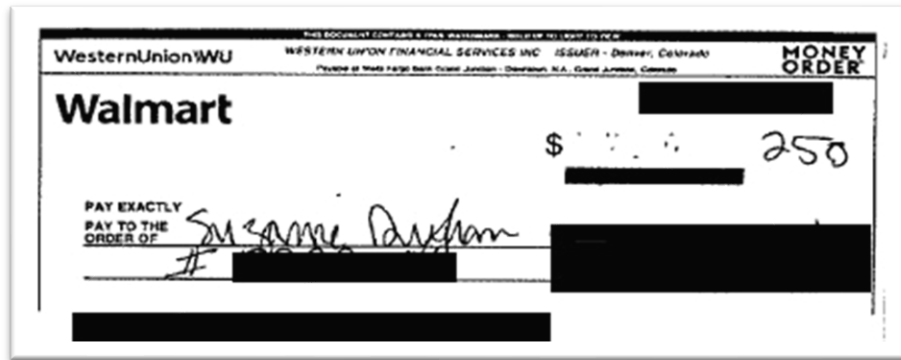
In July 2024, SSI officials discovered Dillingham had accepted a payment from a probationer for court costs and fees. However, the funds were not remitted to WCGS. Investigators analyzed official SSI computer software records and receipts from both Weakley and Carroll County Clerk's Offices and determined that between July 1, 2023, and August 1, 2024, Dillingham abused her authority when she misappropriated at least \$17,526.62 by diverting court payments she collected from probationers under her supervision.

A. Dillingham misappropriated at least \$15,987.62 in court costs and fees from probationers with active cases in the Carroll County General Sessions Court

Investigators analyzed 342 probationers who had active cases in CCGS and were under Dillingham's supervision. Investigators discovered 84 probationers for whom Dillingham recorded accepting court costs and fees, but failed to remit the payments to the court clerk's office. Investigators determined that Dillingham misappropriated at least \$15,987.62 from probationers with active cases in CCGS by failing to remit their court payments.

Investigators determined that some probationers gave Dillingham blank money orders, and sometimes mailed blank money orders to SSI's Huntingdon office. Dillingham was expected to fill in the payee line with the name of the court clerk's office for which she was receiving the payment. However, investigators identified instances in which Dillingham instead entered her personal information on the money orders. Investigators reviewed Dillingham's personal checking account and determined that at least eight money orders, totaling \$1,830, were collected by Dillingham from probationers in CCGS and deposited into her personal checking account. Investigators identified the following related to the money orders: four had probationer names and docket numbers handwritten on them (**Refer to Exhibit 1**), three had names with the same last name with similar first names as probationers written on them, and one had a probationer's address written on it and was signed by the probationer.

Exhibit 1



Money order showing Dillingham’s name on the payee line, instead of the court clerk’s office the payment was intended for

Investigators confirmed all eight probationers had missing payments on or near the respective dates that Dillingham deposited the money orders in her personal bank account. The amounts on all eight money orders matched the probationers’ missing payments.

B. Dillingham misappropriated at least \$799 in court costs and fees from probationers with active cases in the Carroll County Circuit Court

Investigators analyzed 23 probationers with active cases in the CCCC and discovered six probationers from whom Dillingham recorded accepting court costs and fees but failed to remit the payment to the court clerk’s office. Investigators determined that Dillingham misappropriated at least \$799 from these probationers by failing to remit their court payments.

C. Dillingham misappropriated at least \$740 in court costs and fees from a probationer with an active case in the Weakley County General Sessions Court

Investigators analyzed 37 probationers with active cases in the WCGS and discovered one probationer from whom Dillingham recorded accepting court costs and fees but failed to remit the payment to the court clerk’s office. Investigators determined that Dillingham misappropriated at least \$740 from the probationer by failing to remit their court payment. Since all probationers under Dillingham's supervision had their appointments at the Huntingdon office, investigators confirmed that the misappropriation occurred in Carroll County.

Summary of Dillingham’s Misappropriation

Court	Misappropriation
Carroll County General Sessions	\$15,987.62
Carroll County Circuit	799.00
Weakley County General Sessions	740.00
Total	\$17,526.62

Dillingham concealed her misappropriation by altering status codes in SSI’s database for probationers who had given her their final court payment, but whose payments she failed to remit to the appropriate court clerks’ offices. After collecting what were supposed to be final court payments, Dillingham changed probationers’ status codes from 01 (active probationer) to 02 (released from probation), falsely indicating that the probationer had met all requirements of their probation order, including payment of all court costs and fees. Dillingham then informed the probationers that they were released from supervised probation. While these final payments would have released the probationers from supervised probation, the payments were never remitted to the court clerks’ offices. As a result, probationers who were already victimized by the misappropriations were burdened with additional undue hardships, such as duplicate court costs and fee payments and unwarranted probation violations.

2. INVESTIGATORS IDENTIFIED \$940 IN QUESTIONABLE FUNDS THAT WERE NOT REMITTED TO THE COURTS

Investigators identified \$790 in questionable funds from five probationers with active cases in CCGS that were not remitted to the courts, and investigators could not substantiate that the funds were diverted for Dillingham’s personal use. Of these, two probationers had payments totaling \$455 noted in either their probation report or paper file, but investigators could not substantiate the intended purpose of the funds. Another probationer, with a \$60 missing payment, had active cases in both CCGS and WCGS, and investigators could not determine which court the payment was intended for. Additionally, two probationers gave Dillingham court payments totaling \$275. However, CCGS did not receive the payments for over 30 business days, even though Dillingham remitted other payments to the court clerk’s office during that period.

Investigators also identified \$150 in questionable funds from two probationers with active cases in WCGS. According to SSI officials, all probationers supervised by Dillingham had appointments at the Huntingdon office, where they gave Dillingham their court payments. Although Dillingham initially received the probationers’ payments, other SSI officials were responsible for delivering them to WCGS. Since it is unknown which employee was responsible for remitting these two payments, investigators cannot substantiate whether Dillingham diverted these funds for personal use.

Summary of Questionable Funds

Court	Questionable
Carroll County General Sessions	\$790.00
Weakley County General Sessions	\$150.00
Total	\$940.00

On May 5, 2025, the Carroll County Grand Jury indicted Teresa Suzanne Dillingham on one count of Theft over \$10,000, one count of Official Misconduct, and one count of Forgery over \$10,000.

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.

[Supervisory Services, Inc. Investigation Exhibit](#)

INTERNAL CONTROL AND COMPLIANCE DEFICIENCIES

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

Deficiency 1: Weakley and Carroll County Courts did not have a contract with SSI

Private probation services operate within the criminal justice system and thus provide a vital governmental function. But the nature of their work and the fee structures they employ can, at times, provide opportunities for overreach and abuse. To avoid such problems, the nature and extent of their authority and duties, especially as they relate to supervision of probationers and collection of funds, should be clearly defined in writing issued by the courts in which they are working.

Neither Weakley nor Carroll County Courts had a written contract with SSI. Sound business practices dictate that business services be documented by written agreements to clearly define services provided. The failure to establish an official contract increases the risk of the counties incurring additional and unnecessary costs and liabilities associated with unauthorized business activities.

Deficiency 2: SSI did not issue receipts for court costs and fees

SSI did not issue receipts when collecting court payments from probationers. Sound business practices dictate that official receipts should be issued for all collections. Receipts should be issued in duplicate and a copy retained, and receipts should be prenumbered consecutively in a well-bound book or automated records. The failure to issue receipts for all collections weakens internal controls over collections and increases the risk of fraud and misappropriation.

Deficiency 3: Funds collected by SSI were not deposited within three days of collection

Tenn. Code Ann. § 6-56-111 requires public funds to be deposited within three days of collection. SSI acted as an agent of the courts when collecting court payments from probationers. Investigators noted instances where payments collected were not remitted to the applicable court clerk's office for a month or longer. Dillingham's failure to remit the funds within three days resulted in the court clerks not being able to deposit the funds in a timely manner. The delay in depositing funds weakens internal controls over collections and increases the risks of fraud and misappropriation.

SSI officials indicated that they have corrected or intend to correct these deficiencies.
