



Jason E. Mumpower, Comptroller of the Treasury

July 16, 2021

Former Finance Director of Northeast TN Nonprofit Indicted

Julie Beale worked for Appalachian Regional Coalition on Homelessness (ARCH)

The former finance director for a nonprofit that provides support to homeless citizens in Northeast Tennessee is now facing a multi-count indictment after Comptroller investigators, working in conjunction with the U.S. Department of Housing and Urban Development Office of Inspector General, found she stole at least \$119,582.

Julie Beale was the finance director for the Appalachian Regional Coalition on Homelessness (ARCH) located in Johnson City. Beale misappropriated the nonprofit's funds between November 2013 and March 2018 in the following ways:



- Julie Beale and her husband, Sam Beale, misappropriated \$75,630.06 by making 150 ARCH payments to Sam Beale for work he did not perform. Sam Beale worked as ARCH's intermittent maintenance provider during the duration of his wife's tenure at ARCH. Sometimes Julie Beale paid him at his request and at other times, she issued checks to him on her own initiative.
- Julie Beale issued fraudulent ARCH payments to herself totaling \$32,937.43.
- Julie Beale made fraudulent ARCH payments to another family member totaling \$5,081.69.
- Julie Beale used ARCH money to pay rent on her personal residence totaling \$3,375.
- Julie Beale used the ARCH debit card to make a total of \$2,183.47 in unauthorized and personal charges.
- Julie Beale issued a fraudulent ARCH check to pay a personal \$375 debt.

Investigators identified numerous instances when Beale concealed her scheme by applying false signatures on checks, making false entries into ARCH's accounting records, and creating false invoices.

Julie Beale resigned her position with ARCH on March 2, 2018. In July 2021, the Washington County Grand Jury indicted Julie Beale on one count of theft over \$60,000, one count of conspiracy to commit theft over \$60,000, and money laundering. Sam Beale was indicted on one count of theft over \$60,000, one count of conspiracy to commit theft over \$60,000, one count of financial exploitation of an elderly or vulnerable person, and one count of theft over \$2,500.

"This case underscores the importance of not giving sole control of financial operations to one person," said Comptroller Jason Mumpower. "Separating key financial duties and providing increased oversight helps to reduce the risk that fraud will go undetected."

To view the investigative report, go to: <https://comptroller.tn.gov/office-functions/investigations/find.html>

If you suspect fraud, waste, or abuse of public money in Tennessee, call the Comptroller's toll-free hotline at 800.232.5454, or file a report online at: tncot.cc/fraud. Follow us on twitter [@TNCOT](https://twitter.com/TNCOT) and Instagram [@tncot](https://www.instagram.com/tncot)

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