



COMPTROLLER'S INVESTIGATIVE REPORT

PTO of Inglewood Elementary School

October 8, 2020

Justin P. Wilson
Comptroller of the Treasury



DIVISION OF INVESTIGATIONS



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Deputy Comptroller

October 8, 2020

Executive Principal Ashley Croft
Inglewood Elementary School
1700 Riverside Drive
Nashville, TN 37216

Principal Croft:

The Office of the Comptroller of the Treasury conducted an investigation of selected records of the PTO of Inglewood Elementary School, 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 20th 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 black ink that reads "Justin P. Wilson".

Justin P. Wilson
Comptroller of the Treasury

JPW/MLC

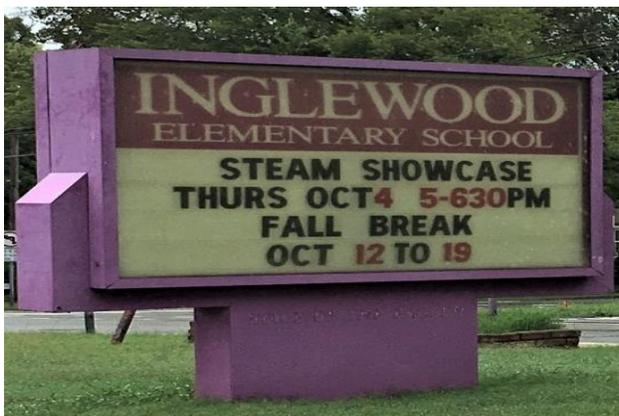
INVESTIGATIVE REPORT

PTO OF INGLEWOOD ELEMENTARY SCHOOL

The Office of the Comptroller of the Treasury investigated allegations of malfeasance related to the PTO of Inglewood Elementary School (PTO). The Comptroller's Office initiated the investigation after school officials voiced concerns to Metropolitan Nashville Public Schools internal auditors regarding unpaid PTO invoices. The results of the investigation were communicated with the Office of the District Attorney General of the 20th Judicial District.

BACKGROUND

The PTO, a parent teacher organization, was an officially recognized school support organization of Metropolitan Nashville Public Schools, affiliated specifically with Inglewood Elementary School. It was founded to promote the education of children in the school community at large. The PTO was operated by parent volunteers and had a core of officers that led its operations.



RESULTS OF INVESTIGATION

- **PTO PRESIDENT ANGELICA HOPE COOKS MISAPPROPRIATED PTO FUNDS TOTALING AT LEAST \$5,781 FOR PERSONAL BENEFIT**

During the period August 2015 through August 2017, PTO president Angelica Hope Cooks misappropriated PTO funds totaling at least \$5,781.

In May 2017, Cooks was elected PTO President and her husband was elected PTO Treasurer. During her tenure as president, Cooks opened PTO accounts at three separate banks. The respective banks closed two of the PTO accounts because of overdrafts totaling over \$1,100. The balance in the remaining account as of August 2017 was \$0.29. During this period, Cooks was the only authorized signer on the accounts.

Cooks began misappropriating PTO funds a short time after she began handling PTO finances. When she assumed control, the PTO bank account had a balance of over \$3,800. Three months later, Cooks had misappropriated about a third of these funds, and the bank account balance was down to \$21.

As described below, Cooks employed at least three schemes to misappropriate PTO funds for her personal benefit:

At least \$3,045 in fraudulent debit card purchases

Cooks used debit cards issued on PTO accounts to make at least 135 personal purchases, misappropriating at least \$3,045 from those accounts. Her personal uses included charges for meals at restaurants and other personal items and expenses. (Refer to Exhibit 1.)

Exhibit 1

SILVER BUSINESS CHECKING		(CONTINUED)	
U.S. Bank National Association		Account Number [REDACTED]	
Card Withdrawals			
Date	Description of Transaction	Ref Number	Amount
Apr 1	Fee	ATM Withdrawal At Other Network	2.50-
Apr 4	Fee	ATM Withdrawal At Other Network	2.50-
Apr 14	Fee	ATM Withdrawal At Other Network	2.50-
Apr 18	Fee	ATM Withdrawal At Other Network	2.50-
Apr 18	Fee	ATM Withdrawal At Other Network	2.50-
Card Number: xxxx-xxxx-xxxx-5263			
Apr 1	Debit Purchase - VISA ROSEPEPPER CANTI *****5263	On 033116 NASHVILLE TN REF # 24755426092730921588104	19.56-
Apr 1	Debit Purchase - VISA CHECKERS #3065 *****5263	On 033016 NASHVILLE TN REF # 24692166091000600713939	31.01-
Apr 1	ATM Withdrawal *****5263	834 PORTER RD NASHVILLE TN Serial No. 961706032558PLUSTERM	42.50-
Apr 4	Debit Purchase 133691 *****5263	WALGREENS 226 5T NASHVILLE TN On 040416 ILK1TERM REF 609519133691	18.59-
Apr 4	Debit Purchase - VISA VARALLOS *****5263	On 040116 NASHVILLE TN REF # 24755426092270924930854	30.06-
Apr 4	ATM Withdrawal *****5263	834 PORTER RD NASHVILLE TN Serial No. 961706032558PLUSTERM	42.50-
Apr 4	Debit Purchase - VISA SONIC DRIVE IN # *****5263	On 040216 NASHVILLE TN REF # 24427336093720064781101	43.25-
Apr 5	Debit Purchase 392900 *****5263	FAMILY DOLLAR #8 NASHVILLE TN On 040516 NYC3TERM REF 99392900	39.67-
Apr 5	Debit Purchase - VISA THE ITALIAN KITC *****5263	On 040416 NASHVILLE TN REF # 24431066096286319400644	43.80-
Apr 5	Debit Purchase - VISA BAR-B CUTIE *****5263	On 040316 MADISON TN REF # 24223696095980044330574	54.91-
Apr 5	Debit Purchase 439878 *****5263	WAL Wal-Mart Sup MADISON TN On 040516 NYC1TERM REF 609603439878 You Requested \$40 In Cash Back	178.45-
Apr 7	Debit Purchase - VISA PORTER ROAD CITG *****5263	On 040516 NASHVILLE TN REF # 24934876097980001085290	6.72-
Apr 7	Debit Purchase 456620 *****5263	DOLLAR GENERAL # NASHVILLE TN On 040716 ILNKILNK REF 609820456620	10.30-
Apr 7	Debit Purchase - VISA VARALLOS *****5263	On 040616 NASHVILLE TN REF # 24755426097260978981072	28.58-
Apr 8	Debit Purchase 422171 *****5263	DOLLAR GENERAL # NASHVILLE TN On 040816 ILNKILNK REF 609915422171	13.84-
Apr 11	Debit Purchase 601420 *****5263	BAILEY AND CATO NASHVILLE TN On 041016 NYC3TERM REF 610121601420	45.34-
Apr 11	Debit Purchase - VISA FAT MO'S *****5263	On 040916 NASHVILLE TN REF # 24210736100207629900403	61.84-

Unauthorized personal restaurant charges and other personal purchases made by Cooks using PTO funds via PTO debit card (shaded in blue)

At least \$1,287 in fraudulent electronic cash withdrawals

Cooks used PTO debit cards to make at least 27 cash withdrawals via ATM transactions totaling \$1,287 for her personal benefit. (Refer to Exhibit 2.)

Exhibit 2

Other withdrawals, debits and service charges		
DATE	DESCRIPTION	AMOUNT(\$)
12/01	DEBIT CARD NON-BBT ATM FEE 12-01-16 CR020396 7616 1520 PORTER R NASHVILLE TN	2.00
12/01	ATM NETWORK CASH WITHDRAWAL 12-01-16 CR020396 7616 1520 PORTER R NASHVILLE TN	22.50
12/02	DEBIT CARD PURCHASE-PIN 12-02-16 DOLLAR GENERAL 7616 1500 PORTER R NASHVILLE TN	9.12
12/05	DEBIT CARD PURCHASE PORTER ROAD CITGO 12-01 NASHVILLE TN 7616	19.35
12/05	DEBIT CARD PURCHASE PORTER ROAD MARKET 12-02 NASHVILLE TN 7616	6.96
12/05	DEBIT CARD PURCHASE-PIN 12-03-16 BILL MARTIN FOOD 7616 1105 C. FATHE NASHVILLE TN	35.30
12/06	DEBIT CARD PURCHASE SWEET-N-SASSY BAKE 12-05 MADISON TN 7616	55.14
12/06	DEBIT CARD PURCHASE-PIN 12-06-16 DOLLAR GENERAL 7616 1500 PORTER R NASHVILLE TN	71.56
12/07	DEBIT CARD PURCHASE L2G*SERVICEFEE TN 12-06 615-741-2286 TN 7616	0.47
12/07	DEBIT CARD PURCHASE L2G*TN SOS ANNUAL 12-06 615-741-2286 TN 7616	20.00
12/12	DEBIT CARD PURCHASE FAT MOS BURGERS 12-09 NASHVILLE TN 7616	22.59
12/12	DEBIT CARD PURCHASE-PIN 12-11-16 MURFREESBORO TN 7616 SPEEDWAY 7142 1975	8.39
12/13	DEBIT CARD PURCHASE PORTER ROAD CITGO 12-11 NASHVILLE TN 7616	13.78
12/14	DEBIT CARD PURCHASE-PIN 12-13-16 DOLLAR GENERAL 7616 1500 PORTER R NASHVILLE TN	28.95
12/14	DEBIT CARD PURCHASE-PIN 12-14-16 KROGER LIMITED P 7616 3410 GALLATIN NASHVILLE TN	81.53

continued

BUSINESS VALUE [REDACTED] (continued)		
DATE	DESCRIPTION	AMOUNT(\$)
12/15	DEBIT CARD RECURRING PYMT VISTAPR*VistaPrint 12-14 866-8936743 MA 7616	6.44
12/15	DEBIT CARD RECURRING PYMT VISTAPR*VistaPrint 12-14 866-8936743 MA 7616	40.00
12/15	DEBIT CARD PURCHASE-PIN 12-15-16 KROGER LIMITED P 7616 3410 GALLATIN NASHVILLE TN	206.65
12/15	DEBIT CARD RECURRING PYMT VISTAPR*VistaPrint 12-14 866-8936743 MA 7616	40.00
12/15	DEBIT CARD RECURRING PYMT VISTAPR*VistaPrint 12-14 866-8936743 MA 7616	40.00
12/16	DEBIT CARD NON-BBT ATM FEE 12-16-16 CR020389 7616 834 PORTER RD NASHVILLE TN	2.00
12/16	ATM NETWORK CASH WITHDRAWAL 12-16-16 CR020389 7616 834 PORTER RD NASHVILLE TN	22.50
12/16	DEBIT CARD PURCHASE-PIN 12-16-16 DOLLAR GENERAL 7616 1500 PORTER R NASHVILLE TN	89.04
12/16	DEBIT CARD PURCHASE-PIN 12-16-16 KROGER LIMITED P 7616 3410 GALLATIN NASHVILLE TN	5.22
12/19	DEBIT CARD PURCHASE LITTLE CAESARS 173 12-15 NASHVILLE TN 7616	32.78
12/19	DEBIT CARD PURCHASE-PIN 12-16-16 NASHVILLE TN 7616 SINKERS WINE AND SPIRI	54.58
12/19	DEBIT CARD NON-BBT ATM FEE 12-17-16 CR020389 7616 834 PORTER RD NASHVILLE TN	2.00
12/19	ATM NETWORK CASH WITHDRAWAL 12-17-16 CR020389 7616 834 PORTER RD NASHVILLE TN	102.50
12/23	ATM NETWORK CASH WITHDRAWAL 12-22-16 CR020389 7616 834 PORTER RD NASHVILLE TN	42.50
12/28	DEBIT CARD PURCHASE CVS/PHARMACY #0643 12-27 NASHVILLE TN 7616	155.95
12/28	DEBIT CARD PURCHASE CVS/PHARMACY #0643 12-27 NASHVILLE TN 7616	54.95
12/28	DEBIT CARD PURCHASE-PIN 12-27-16 NASHVILLE TN 7616 SPEEDWAY 07112 260	3.28
12/28	DEBIT CARD PURCHASE POPEYES CHICKEN #1 12-27 NASHVILLE TN 7616	17.90
12/28	DEBIT CARD NON-BBT ATM INQ FEE 12-27-16 CR020389 7616 834 PORTER RD NASHVILLE TN	3.00
12/28	DEBIT CARD NON-BBT ATM INQ FEE 12-27-16 CR020389 7616 834 PORTER RD NASHVILLE TN	3.00
12/28	DEBIT CARD NON-BBT ATM FEE 12-27-16 CR020389 7616 834 PORTER RD NASHVILLE TN	3.00
12/28	ATM NETWORK CASH WITHDRAWAL 12-27-16 CR020389 7616 834 PORTER RD NASHVILLE TN	42.50
Total other withdrawals, debits and service charges		= \$1,373.43

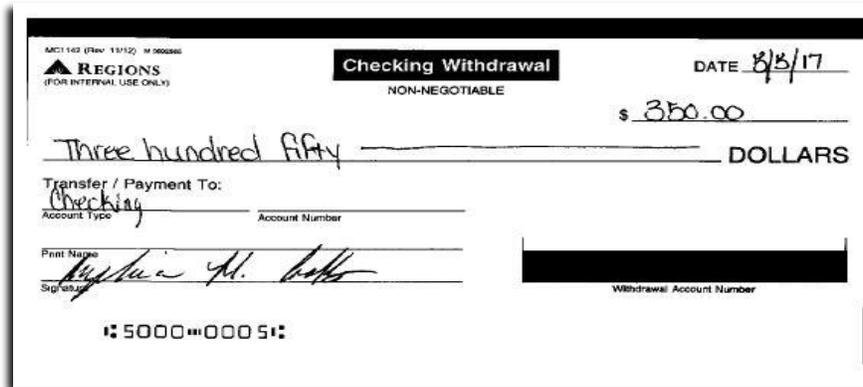
Unauthorized ATM Withdrawals made by Cooks for personal benefit (shaded in blue)

At least \$995 in fraudulent over-the-counter cash withdrawals

Cooks misappropriated at least \$995 from the PTO account by making at least eight over the counter cash withdrawals. For example, Cooks withdrew cash totaling \$350 from the PTO account on May 5, 2017, when there were no PTO activities or events which would

have required the use of PTO funds. Other PTO board members and school personnel told investigators that neither the PTO nor the school received any benefit from this cash withdrawal. Cooks retained these funds for her personal use. **(Refer to Exhibit 3.)**

Exhibit 3



Regions Checking Withdrawal form. DATE: 8/5/17. Amount: \$ 350.00. Written amount: Three hundred fifty DOLLARS. Transfer/Payment To: Checking. Print Name: Stephen M. Cooks. MICR line: 500000005.

Unauthorized over-the-counter cash withdrawal made by Cooks for personal benefit

At least \$454 in bank fees related to misappropriation

As a result of Cooks's unauthorized personal transactions, the PTO incurred bank fees including foreign ATM fees, ATM balance inquiry fees, overdraft fees, etc., totaling at least \$454. **(Refer to Exhibits 4a and 4b.)**

Exhibit 4a

Card Withdrawals				
Date	Description of Transaction	Ref Number		Amount
Aug 6	Fee	ATM Withdrawal At Other Network	0600001340	\$ 2.50-
Aug 14	Fee	ATM Withdrawal At Other Network	1400002816	2.50-
Aug 26	Fee	ATM Withdrawal At Other Network	2600001199	2.50-
Aug 28	Fee	ATM Withdrawal At Other Network	2800002759	2.50-
Card Number: xxxx-xxxx-xxxx-5263				

Exhibit 4b

Mar 10	Overdraft Paid Fee	8700118830		36.00-
Mar 10	Overdraft Paid Fee	8603081846		36.00-
Mar 11	Overdraft Paid Fee	9980001085		15.00-
Mar 15	Overdraft Paid Fee	1000789159		36.00-
Mar 16	Extended Overdraft Fee	1600002287		25.00-

Bank fees charged to PTO related to fraudulent transactions by Cooks

Investigators located numerous PTO financial reports containing false and incomplete information signed with the name of the PTO treasurer, who was Cooks's husband. These documents did not reflect the personal charges, the bank fees, the negative balances, and the changes in banks, effectively concealing the misappropriation. Cooks and her husband were the only individuals with access to the bank records.

School system officials suspended PTO operations July 2017.

Summary of Misappropriation by President Angelica Hope Cooks

Method of Misappropriation	Amount
Debit card purchases for personal benefit	\$ 3,045
Electronic cash withdrawals for personal benefit	1,287
Over-the-counter cash withdrawals for personal benefit	995
Bank fees incurred as a result of misappropriation	454
Total	<u>\$5,781</u>

On August 26, 2020, the Davidson County Grand Jury indicted PTO president Angelica Hope Cooks on one count of Theft over \$2,500 and one count of Fraudulent Use of a Credit Card.

[PTO of Inglewood Elementary Investigation Exhibit](#)

INTERNAL CONTROL AND COMPLIANCE DEFICIENCIES

Officers of the PTO, like officers of all other school support organizations, are required to ensure the funds and property of their organization are safeguarded and used only for purposes related to the goals and objectives of the organization. Pursuant to *Tennessee Code Annotated*, Section 49-2-610, the Comptroller published the “Model Financial Policy for School Support Organizations - Procedures Manual” in 2008 to assist PTO officers in discharging their obligation to safeguard the funds and property of their respective organizations. To that end, the Model Financial Policy prescribes the minimum financial accountability controls that PTO officers must follow.

Our investigation found that the PTO failed to adopt or comply with financial controls prescribed by the Model Financial Policy, which enabled the president to perpetrate her misappropriation and avoid prompt detection. These resulting deficiencies included:

Deficiency 1: PTO officials failed to separate financial responsibilities adequately and to provide increased oversight when appropriate

PTO officials failed to separate incompatible financial duties and to provide increased oversight when appropriate. The president and her husband (the PTO treasurer) received and counted collections, made deposits, and made all disbursements from the accounts. She made cash withdrawals and other disbursements from the PTO accounts on her signature alone and without

proper PTO board authorization. No one discovered the scheme for nearly two years because Cooks and her husband were the only ones who had access to the PTO bank account statements that they used to compile and remit financial information to the school system. Separating financial duties and providing increased oversight when appropriate reduces the risk that errors or misappropriations will remain undetected.

Deficiency 2: PTO officials failed to retain adequate supporting documentation for many disbursements

PTO officials did not acquire or retain invoices, vendor receipts, or other adequate supporting documentation for many disbursements. *Tennessee Code Annotated*, Section 49-2-604(c), requires that a school support organization maintain, at a minimum, detailed statements of receipts and disbursements for at least four years. The Model Financial Policy requires school support organizations to obtain and file invoices for all disbursements to show that funds were appropriately used.

Deficiency 3: PTO officials did not adequately account for collections

PTO officials did not comply with the requirements to oversee, document, or account adequately for the proceeds of any of the PTO fundraising activities, which included, among others, a fall festival and a gift brochure sale. As a result, investigators could not verify the accuracy and completeness of the amounts deposited. For example, investigators could not locate any records and were unable to determine if officials deposited any proceeds for sales of t-shirts and other items at local athletic events. The Model Financial Policy sets forth required collection procedures to account for proceeds from fundraisers and other collections. PTO officials failed to:

- Issue receipts for applicable collections or prepare count sheets signed by two responsible individuals.
- Review bank statements timely to ensure all expected deposits were made promptly and intact.
- Require, prepare, or review profit analyses for applicable activities to ensure expected collections were generated.
- Obtain approval from the Director of Schools or the Director's designee for some fundraising activities.

As noted previously, PTO operations were suspended after discovery of questionable transactions. As of the date of this report, the PTO of Inglewood Elementary School had not resumed operations.