



## COMPTROLLER'S INVESTIGATIVE REPORT

### Greenbrier High School

*January 10, 2022*

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



**DIVISION OF INVESTIGATIONS**



JASON E. MUMPOWER  
*Comptroller*

January 10, 2022

Robertson County Schools  
Dr. Chris Causey, Director  
800 M.S. Coutts Blvd, Suite 2  
Springfield, TN 37172

Robertson County Schools Director:

The Office of the Comptroller of the Treasury conducted an investigation of selected records of the Greenbrier High 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 19<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 line extending to the right.

Jason E. Mumpower  
Comptroller of the Treasury

JEM/MLC

# INVESTIGATIVE REPORT

## Greenbrier High School

The Office of the Comptroller of the Treasury investigated allegations of malfeasance related to Greenbrier High School. This investigation was initiated after officials reported several discrepancies while attempting to complete bank deposits following the death of the school's bookkeeper. The investigation was limited to selected records for the period from July 1, 2020, through February 5, 2021. The results of the investigation were communicated with the Office of the District Attorney General of the 19<sup>th</sup> Judicial District.

### BACKGROUND



Greenbrier High School (GHS) is in Greenbrier, Tennessee, and is part of the Robertson County School System. As of 2021, GHS had an enrollment of 816 students, 55 full-time teachers, and served students in grades 9-12. The school's bookkeeper was responsible for receipting all school collections, making bank deposits, preparing and signing checks, recording all financial transactions, and reviewing and reconciling bank statements. The GHS bookkeeper died February 8, 2021.

### RESULTS OF INVESTIGATION

#### **1. THE SCHOOL BOOKKEEPER MISAPPROPRIATED COLLECTIONS TOTALING AT LEAST \$8,797.75**

During the period from August 2020, through January 2021, the GHS bookkeeper misappropriated collections totaling at least \$8,797.75. She perpetrated her misappropriation by withholding some cash and check collections from bank deposits, failing to receipt some collections, and failing to record some collections in the school's accounting records.

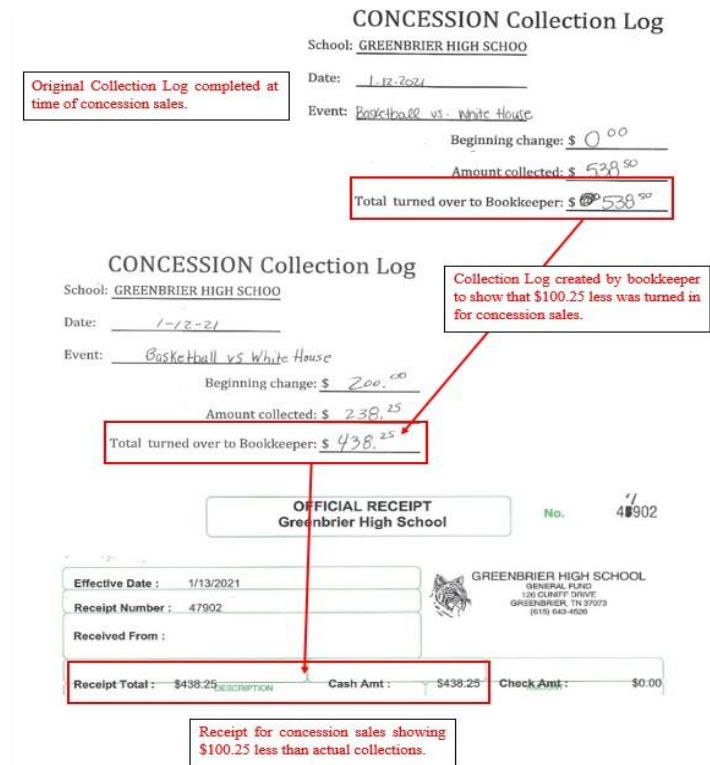
**Summary of Misappropriation by Month**

Misappropriation by Month	Amount
August 2020	\$1,038.00
September 2020	2,508.00
October 2020	1,964.00
November 2020	1,563.00
December 2020	260.00
January 2021	<u>1,464.75</u>
<b>Total</b>	<b><u>\$8,797.75</u></b>

**2. THE SCHOOL BOOKKEEPER FABRICATED COLLECTION LOGS TO CONCEAL HER MISAPPROPRIATION**

The school bookkeeper fabricated collection logs to conceal her misappropriation no less than 15 times in 2021. After a review of collection logs found at her home, investigators determined that she created new logs that excluded cash and check collections totaling \$389 and failed to receipt \$750 in collections during the month of January 2021. (See **Exhibit 1.**)

**Exhibit 1**



The exhibit displays two 'CONCESSION Collection Log' forms and an 'OFFICIAL RECEIPT' from Greenbrier High School, with red boxes and arrows highlighting discrepancies.

**Original Collection Log (top):**  
 School: GREENBRIER HIGH SCHOOL  
 Date: 1-12-2021  
 Event: Basketball vs. White House  
 Beginning change: \$ 0.00  
 Amount collected: \$ 538.00  
 Total turned over to Bookkeeper: \$ 538.00  
 Annotation: Original Collection Log completed at time of concession sales.

**Fabricated Collection Log (middle):**  
 School: GREENBRIER HIGH SCHOOL  
 Date: 1-12-21  
 Event: Basketball vs White House  
 Beginning change: \$ 200.00  
 Amount collected: \$ 238.25  
 Total turned over to Bookkeeper: \$ 438.25  
 Annotation: Collection Log created by bookkeeper to show that \$100.25 less was turned in for concession sales.

**OFFICIAL RECEIPT (bottom):**  
 No. 48902  
 Effective Date: 1/13/2021  
 Receipt Number: 47902  
 Received From:  
 Receipt Total: \$438.25  
 Cash Amt: \$438.25  
 Check Amt: \$0.00  
 Annotation: Receipt for concession sales showing \$100.25 less than actual collections.

*Comparison of an original collection document with a fabricated document that agreed with the entry made in the school records and the bank deposit.*

As a result of the death of the former bookkeeper on February 8, 2021, any further criminal investigation or prosecution in this matter is now abated. However, pursuant to T.C.A. § 20-5-103, the death does not abate any civil cause of action that Robertson County Schools might otherwise have against the estate or personal representative of the former bookkeeper for recovery of misappropriated or converted funds.

## INTERNAL CONTROL AND COMPLIANCE DEFICIENCIES

Our investigation revealed deficiencies in internal controls and compliance, some of which enabled the bookkeeper to misappropriate funds without prompt detection. These deficiencies included:

### **Deficiency 1: School officials failed to separate financial duties and provide adequate oversight**

School officials failed to separate incompatible financial duties and provide adequate oversight. The bookkeeper was responsible for receipting collections, preparing bank deposits, preparing and signing checks, posting financial transactions, and reviewing and reconciling the bank account. Separating financial duties and providing adequate oversight reduces the risk that undetected errors or misappropriations will occur.

### **Deficiency 2: School officials failed to ensure collections were deposited intact**

School officials failed to ensure that collections were deposited intact. The bookkeeper did not deposit some collections in the amounts in which they were collected. Through her manipulation of collections and records, the amount of cash she deposited frequently did not agree with the amount of cash that teachers remitted to her. Ensuring that collections are made intact and match the cash and check makeup of the money remitted by teachers reduces the risk that undetected errors or misappropriations will occur.

### **Deficiency 3: School officials failed to ensure that employees accurately documented sales and collections**

The *Tennessee Internal School Uniform Accounting Policy Manual* (manual) requires that "at the time of collection, individuals collecting money should prepare prenumbered receipts, collection logs, or other appropriate documentation." Investigators observed the following instances of noncompliance with the manual:

- a. Collection logs were reused multiple times by school employees, making it difficult to determine when specific items were collected, when they should have been remitted to the

bookkeeper, and when they were ultimately receipted and deposited into the bank account. Investigators observed this practice on the collection logs of nearly every fundraiser during the period reviewed.

- b. Ticket reconciliations were both incomplete and mathematically inaccurate on no less than five occasions during the period reviewed. Amounts reported as collected and remitted for deposit did not agree with the number of tickets sold. In some instances, documents did not contain enough information for investigators to determine what amount should have been remitted for deposit.
- c. On several occasions investigators noted there was no record of collections for funds that were deposited into the school's bank account. This included ticket sales for an event and records for fundraisers. Without documentation of what was collected, investigators were unable to determine the amount that should have been remitted for deposit.

Greenbrier High School officials indicated that they have corrected or intend to correct these deficiencies.

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