



## COMPTROLLER'S INVESTIGATIVE REPORT

# Warren County High School Future Business Leaders of America

*August 13, 2024*

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



**DIVISION OF INVESTIGATIONS**



JASON E. MUMPOWER  
*Comptroller*

August 13, 2024

Warren County Schools  
2548 Morrison Street  
McMinnville, TN 37110

Warren County Schools:

The Office of the Comptroller of the Treasury conducted an investigation of selected records of the Warren County High School Future Business Leaders of America, 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 31<sup>st</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 flourish extending to the right.

Jason E. Mumpower  
Comptroller of the Treasury

JEM/MLC

# INVESTIGATIVE REPORT

## Warren County High School Future Business Leaders of America

The Office of the Comptroller of the Treasury investigated allegations of malfeasance related to the Warren County High School Future Business Leaders of America. The investigation was initiated after Warren County School officials reported allegations that an employee misappropriated cash collections. The investigation was limited to selected records for the period October 24, 2017 through April 11, 2024. The results of the investigation were communicated with the Office of the District Attorney General of the 31<sup>st</sup> Judicial District.

### BACKGROUND



Warren County High School (WCHS) is in McMinnville, Tennessee, and serves approximately 1,790 students. The Warren County High School Future Business Leaders of America (FBLA) is a student organization that assists students in preparing for business and technical careers and has participation opportunities at regional, state, and national levels. The FBLA mission states, “FBLA inspires and prepares students to become community-minded business

leaders in a global society through relevant career preparation and leadership experiences.” Students who choose to become involved in the FBLA pay membership dues, participate in fundraising activities, and earn opportunities to attend and compete at regional, state, and national conferences.

Jamie Branin was a WCHS teacher who taught business and marketing classes. She also served as the FBLA sponsor from February 2015 until her resignation on February 14, 2024. As the FBLA sponsor, Branin oversaw the operations of the FBLA student organization. She was responsible for collecting membership dues, fundraiser revenue, and conference attendance fees, logging the collected funds on a Teacher’s Collection Log, and remitting the collected funds and supporting documentation to the WCHS bookkeeper or their designee.

## RESULTS OF INVESTIGATION

### 1. FORMER WARREN COUNTY HIGH SCHOOL TEACHER AND FUTURE BUSINESS LEADERS OF AMERICA SPONSOR JAMIE BRANIN MISAPPROPRIATED AT LEAST \$1,431.54 OF COLLECTIONS

Former WCHS teacher and FBLA sponsor Jamie Branin misappropriated \$1,431.54 of collections, as detailed in the table below:

Summary of Misappropriation by Jamie Branin	
FBLA Collection Type (School Years)	Amount
Fundraisers (2017-2024)	\$ 1,300.54
Membership Dues (2019-2020)	36.00
Conference Fees (2019-2020 & 2022-2023)	<u>95.00</u>
<b>Total Misappropriation</b>	<b>\$ <u><u>1,431.54</u></u></b>

The FBLA conducted two types of fundraisers to support students' participation, World's Finest Chocolates and Country Meats. For both fundraisers, Branin was responsible for the entire fundraising process, including requesting a purchase order, ordering the fundraiser inventory, distributing the inventory to FBLA student members to sell, collecting sales proceeds from students, remitting the collections to the WCHS bookkeeper, and finally, completing the required fundraiser reports. Branin concealed her fundraiser misappropriation by not completing fundraiser reports accurately. For all Country Meats fundraisers except one (2019-2020 Country Meats), Branin failed to document the ten "free" meat sticks per case that Country Meats provided to help offset the cost of shipping the fundraiser inventory to the school. At the conclusion of fundraisers, Branin provided various explanations for inventory shortages without proper supporting documentation. Examples include blaming the shortages on inventory given away, inventory sold at a discounted price, or student theft. Branin did not provide the names of students or specific amounts owed by students who she claimed did not return inventory or collections. In two instances (2020-2021 Country Meats and 2021-2022 Country Meats), Branin improperly included the inventory shortages under the "Ending Inventory" section of the *Fundraiser Collection Analysis Reports*. Branin's fundraiser misappropriation is summarized by school year in the table below:

Fundraiser Portion of the Misappropriation		
School Year	Fundraiser Name	Amount
2017-2018	World's Finest Chocolates	\$ 199.00
2017-2018	Country Meats	20.00
2018-2019	Country Meats	115.00
2019-2020	Country Meats	159.01
2020-2021	Country Meats	188.00
2021-2022	Country Meats	145.99
2022-2023	Country Meats	257.54
2023-2024	Country Meats	<u>216.00</u>
	<b>Total Fundraiser Misappropriation</b>	<b>\$ <u>1,300.54</u></b>

In two instances, Branin receipted cash collected for students' membership dues, but she removed and did not document the collections on her Teacher's Collection Log. Branin also did not remit the cash collected from students to the WCHS bookkeeper. In five instances, Branin collected and receipted the full amount of cash for students' FBLA conference fees, but only a portion of the cash collected from students was documented on her Teacher's Collection Log and remitted to the WCHS bookkeeper.

Branin did not follow Warren County School's policy for collections, which requires teachers to collect fundraiser sales proceeds from students daily and remit the collections to the WCHS bookkeeper daily. Branin admitted that taking collections home with her was common practice if she was unable to turn in her collections to the WCHS bookkeeper before she left for the day. Branin also did not follow Warren County School's policy for purchasing, which requires teachers to submit a purchase order to solicit approval to initiate a purchase. Branin stated that she used fundraiser collections to purchase FBLA graduation cords rather than properly remitting collections to the WCHS bookkeeper and following the purchasing policy to order the cords (2022-2023 graduation).

On August 2, 2024, the Warren County Grand Jury indicted JAMIE BRANIN for one count of Theft of Property over \$1,000, one count of Forgery over \$1,000, one count of Tampering with Government Records, and one count of Official Misconduct.

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.

Warren County High School Future Business Leaders of America Investigative Exhibit

## INTERNAL CONTROL DEFICIENCY

Our investigation revealed an internal control deficiency, which resulted in Branin's ability to misappropriate FBLA collections. The deficiency included:

**Deficiency 1: Warren County Schools officials did not provide adequate oversight for collections**

WCHS officials did not provide adequate oversight for collections. Tenn. Code Ann. § 49-2-110 requires local school systems to adopt the *Internal School Funds Manual (Manual)* and maintain all books and records in accordance with the requirements of the *Manual*. The *Manual* outlines a system of internal controls for collections with which school officials failed to properly implement and comply. WCHS officials should ensure that proper oversight is provided and appropriate reconciliations are performed for fundraiser ending inventory, inventory that is given away or sold at a discounted price, and inventory or collections that remain with students. Because WCHS officials did not address the incorrectly completed fundraiser reporting forms or perform follow-up on fundraiser inventory shortages, Branin was not required to provide an accurate and detailed accounting of inventory shortages, allowing her misappropriation to go undetected for several years. Providing increased oversight reduces the risk that error, fraud, waste, or abuse will remain undetected.

Warren County Schools officials indicated that they have corrected or intend to correct these deficiencies.

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