



COMPTROLLER'S INVESTIGATIVE REPORT

Giles County High School

November 12, 2025

Jason E. Mumpower
Comptroller of the Treasury



DIVISION OF INVESTIGATIONS



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Comptroller

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Director of Schools Dr. Vickie Beard
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Pulaski, TN 38478

Dr. Beard:

The Office of the Comptroller of the Treasury conducted an investigation of selected records of the Giles County 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 22nd 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,



Jason E. Mumpower
Comptroller of the Treasury

JEM/MLC

INVESTIGATIVE REPORT

Giles County High School

The Office of the Comptroller of the Treasury investigated allegations of malfeasance related to Giles County High School. The investigation was limited to selected records for the period August 8, 2024, through June 2, 2025. The results of the investigation were communicated with the Office of the District Attorney General of the 22nd Judicial District.

BACKGROUND



Giles County High School (GCHS) located in Pulaski, Tennessee, is part of the Giles County School System (school system) and serves students in grades 9 through 12. The school system is governed by the seven-member Giles County Board of Education.

Tenn. Code Ann. § 49-2-110 provides authorization criteria for student activity fund collections and establishes requirements for the regulation,

standards, procedures, accounting, handling, safekeeping, and responsibility for those funds. This section requires local school systems to adopt and comply with the requirements set forth in the *Internal School Funds Manual (Manual)*. The *Manual* defines student activity funds as money raised by school-sponsored clubs, any related school-sponsored activity that involves the use of school personnel, students, and property, and raised by school-sponsored fundraisers involving students who are under the supervision of a school employee.

INTERNAL CONTROL AND COMPLIANCE DEFICIENCIES

Investigators found that GCHS failed to comply with the following requirements set forth in the *Manual*:

1. A GILES COUNTY HIGH SCHOOL EMPLOYEE USED A PERSONAL VENMO ACCOUNT FOR COLLECTIONS WITHOUT BOARD APPROVAL

Investigators determined that a GCHS employee used a personal Venmo account to collect \$466 of student activity funds across 11 separate transactions during the 2024-2025 school year. Investigators were able to identify \$280 from four of those payments in school collection documents, but they were unable to identify the remaining \$186 in any school collection documents. School activity funds are authorized for collection by the board of education, as

defined in Tenn. Code Ann. § 49-2-603(6). Because personal electronic accounts are not contemplated by the *Manual* or provisions of Tenn. Code Ann. § 47-10-119, they should not be used to collect student activity funds. To ensure that relevant collection details are documented and receipted, and to prevent the comingling of personal funds with internal school activity funds, the method used for electronic collection of any student activity funds should comply with the provisions of Tenn. Code Ann. § 47-10-119 as set forth in the *Manual*. As noted in the *Manual*, the board of education must approve the electronic collection method and establish related policies and procedures. Furthermore, unless adequate internal controls can be established, electronic collection methods should not be used. The use of personal electronic collection accounts weakens internal controls over collections by hindering transparency and increasing the risk of misappropriation by commingling personal funds with school funds.

- A. Per school collection documents, the GCHS employee collected a total of \$17,169 for yearbook sales from August 2024 to May 2025. The employee used a personal Venmo account to collect \$322 for the sales of four yearbooks on May 15, 2025, and May 16, 2025, and investigators were able to trace \$240 from three of those four sales to collection logs and funds that were turned into the school bookkeeper for deposit. Investigators were unable to identify \$82 from the fourth collection in any school collection documents.

The Giles County Director of Schools sent an email to all school system personnel on May 8, 2025. The email reminded all personnel that the school system did not have a board approved means for the electronic collection of money as a school system. The email specifically prohibited the use of personal Venmo accounts to collect school funds (See **Exhibit 1**).

Exhibit 1

We do not have any means for the electronic collection of money as a school district. Employees should NEVER accept money for any reason through their personal accounts for school business. Personal Venmo, PayPal, CashApp, or any other electronic method is PROHIBITED.

Employees who violate this will be subject to disciplinary action.

Excerpt from email sent to all school system personnel on May 8, 2025

- B. Per school collection documents, the GCHS employee collected a total of \$16,646 for student council activities from August 2024 to April 2025. The employee used a personal Venmo account to collect \$144 across seven payments for the student council during the 2024-2025 school year. The purposes of the student council payments made via Venmo included T-shirt sales, parade entry fees, and event fees. Investigators were able to trace one of those transactions, a \$40 payment for T-shirts, to a school collection log and funds that were turned into the school bookkeeper for deposit. Investigators were unable to identify the \$104 from the remaining six transactions in any school collection documents.

GCHS officials became aware of the employee's use of a personal Venmo account to collect GCHS funds on May 27, 2025. They dismissed the employee from "...leading any activity that handles money" as of June 2, 2025.

Per the communication from the Giles County Director of Schools to all school system personnel on May 8, 2025, as of that time, the board of education had not filed an electronic collection method in advance with the Comptroller of the Treasury, Division of Local Government Audit, as required in the *Manual*.

2. A GILES COUNTY HIGH SCHOOL EMPLOYEE FAILED TO DEPOSIT FUNDS WITHIN THREE DAYS OF COLLECTION

Investigators determined that a GCHS employee failed to remit collections to the bookkeeper for deposit within three days after initial collection for two payments received for yearbook sales in May 2025. The GCHS employee received \$160 via Venmo for two yearbooks on May 15, 2025; however, those funds were not remitted to the bookkeeper for deposit until May 23, 2025. The provisions contained in Tenn. Code Ann. § 5-8-207 and the *Manual* require all student activity and other internal school funds to be deposited into an official school bank account within three days of collection. The delay in depositing funds weakens internal controls over collections and increases the risk of fraud and misappropriation.

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