



## COMPTROLLER'S INVESTIGATIVE REPORT

# Abraham Lincoln Elementary School and John Sevier Middle School Parent Teacher Organizations

*July 9, 2026*

**Jason E. Mumpower**

*Comptroller of the Treasury*



**DIVISION OF INVESTIGATIONS**



JASON E. MUMPOWER  
*Comptroller*

July 9, 2026

Kingsport City Schools Board of Education  
400 Clinchfield Street, Ste. 200  
Kingsport, TN 37660

Kingsport City Schools Board of Education Officials:

The Office of the Comptroller of the Treasury conducted an investigation of selected records of the Abraham Lincoln Elementary School and John Sevier Middle School Parent Teacher Organizations, 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 2<sup>nd</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

## Abraham Lincoln Elementary School and John Sevier Middle School Parent Teacher Organizations

The Office of the Comptroller of the Treasury, in conjunction with the Kingsport Police Department, investigated allegations of malfeasance related to the Abraham Lincoln Elementary School and John Sevier Middle School Parent Teacher Organizations. The investigation was initiated after Kingsport City Schools officials reported questionable transactions. The investigation was limited to selected records for the period January 1, 2023, through February 28, 2026. The results of the investigation were communicated with the Office of the District Attorney General of the 2<sup>nd</sup> Judicial District.

### BACKGROUND



Abraham Lincoln Elementary School (ALES) and John Sevier Middle School (JSMS), located in Kingsport, Tennessee, are part of Kingsport City Schools (school system) and serve students in grades pre-kindergarten through 5 (ALES) and 6 through 8 (JSMS), respectively. ALES and JSMS each have a parent teacher organization (PTO), which are separate school support organizations led by parents and volunteers. The PTOs enhance educational opportunities, family engagement, and other activities that may not be provided by the school system. Elected officers operate the PTOs, which consist of a president (ALES PTO had co-presidents), vice president, secretary, and treasurer.

Jessica Slaughter served as co-president of the ALES PTO from August 2017 through May 2022. Additionally, she oversaw ALES PTO fundraising from May 2022 through May 2023, although not an elected officer. Lastly, she served as the ALES PTO co-president from May 2023 through the spring of 2024. ALES PTO is still active as of the date of this report.

Jessica Slaughter served as treasurer of the JSMS PTO from July 2023 through the spring of 2024. Although the JSMS PTO ceased operations in February 2025, the bank account was still open as of February 28, 2026, showing a balance of \$753.95, with Slaughter and a former president as authorized signers on the account.

The School Support Organization Financial Accountability Act, codified in Tenn. Code Ann. § 49-2-601 *et. seq.*, provides that officers of 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. To assist such officers in discharging their duties, the Comptroller, pursuant to Tenn. Code Ann. § 49-2-610, published the *Model Financial Policy for School Support Organizations (Model Financial Policy)*, which prescribes a set of accounting controls to ensure the funds are used to further the organization’s goals and objectives.

**RESULTS OF INVESTIGATION**

**1. FORMER PRESIDENT OF THE ABRAHAM LINCOLN ELEMENTARY SCHOOL PTO AND TREASURER OF THE JOHN SEVIER MIDDLE SCHOOL PTO, JESSICA SLAUGHTER, MISAPPROPRIATED FUNDS TOTALING AT LEAST \$9,190.57**

Our investigation revealed that between January 2023 and December 2023, Slaughter misappropriated ALES PTO and JSMS PTO funds totaling at least \$9,190.57, as follows:

**A. Abraham Lincoln Elementary School PTO**

From July 2023 through December 2023, Slaughter misappropriated ALES PTO funds totaling at least \$3,790.57 by transferring funds from the ALES PTO bank account to her spouse’s bank account using Square, a digital payment service. Investigators determined these transfers did not benefit the ALES PTO and occurred when Slaughter’s spouse’s bank account balance was low or negative. A review of the ALES PTO bank records showed that \$4,000 in cash was deposited into the ALES PTO bank account on March 3, 2025.

<b>Summary of ALES PTO Misappropriation</b>				
Date	Square Transfers		Transaction Fees (B)	Deposit in Spouse's Bank Account (A-B)
	From ALES PTO Bank Account (A)			
7/31/2023	\$ 1,537.57		\$ 66.29	\$ 1,471.28
8/3/2023	\$ 200.00		\$ 8.71	\$ 191.29
8/14/2023	\$ 250.00		\$ 10.86	\$ 239.14
8/15/2023	\$ 200.00		\$ 8.71	\$ 191.29
8/28/2023	\$ 250.00		\$ 10.86	\$ 239.14
9/6/2023	\$ 853.00		\$ 36.72	\$ 816.28
9/11/2023	\$ 250.00		\$ 10.86	\$ 239.14
9/13/2023	\$ 250.00		\$ 13.12	\$ 236.88
<b>Total</b>	<b>\$ 3,790.57</b>		<b>\$ 166.13</b>	<b>\$ 3,624.44</b>

**B. John Sevier Middle School PTO**

From July 2023 through December 2023, Slaughter misappropriated JSMS PTO funds totaling at least \$5,400 by transferring funds from the JSMS PTO bank account to her spouse’s bank account

using Square. Investigators determined these transfers did not benefit the JSMS PTO and occurred when Slaughter’s spouse’s bank account balance was low or negative. A review of the JSMS PTO bank records showed that \$5,101.10 in cash was deposited into the JSMS PTO bank account on February 20, 2024.

<b>Summary of JSMS PTO Misappropriation</b>				
	Square Transfers		Deposit in	
Date	From JSMS PTO Bank Account (A)	Transaction Fees (B)	Spouse's Bank Account (A-B)	
7/5/2023	\$ 270.00	\$ 14.30	\$ 255.70	
7/10/2023	\$ 200.00	\$ 10.52	\$ 189.48	
7/11/2023	\$ 500.00	\$ 21.62	\$ 478.38	
7/17/2023	\$ 600.00	\$ 25.93	\$ 574.07	
7/18/2023	\$ 300.00	\$ 13.01	\$ 286.99	
7/19/2023	\$ 200.00	\$ 10.52	\$ 189.48	
7/31/2023	\$ 600.00	\$ 25.93	\$ 574.07	
8/8/2023	\$ 500.00	\$ 26.09	\$ 473.91	
8/14/2023	\$ 500.00	\$ 21.62	\$ 478.38	
8/28/2023	\$ 250.00	\$ 10.86	\$ 239.14	
9/11/2023	\$ 250.00	\$ 10.86	\$ 239.14	
9/13/2023	\$ 250.00	\$ 13.12	\$ 236.88	
11/30/2023	\$ 250.00	\$ 13.12	\$ 236.88	
12/1/2023	\$ 230.00	\$ 12.08	\$ 217.92	
12/6/2023	\$ 200.00	\$ 10.52	\$ 189.48	
12/26/2023	\$ 300.00	\$ 13.01	\$ 286.99	
<b>Total</b>	<b>\$ 5,400.00</b>	<b>\$ 253.11</b>	<b>\$ 5,146.89</b>	

The table below summarizes Slaughter’s misappropriation:

<b>Summary of Misappropriation</b>	
A. ALES PTO	\$ 3,790.57
B. JSMS PTO	\$ 5,400.00
<b>Total Misappropriation</b>	<b>\$ 9,190.57</b>

## 2. FORMER ABRAHAM LINCOLN ELEMENTARY SCHOOL PTO AND JOHN SEVIER MIDDLE SCHOOL PTO OFFICERS MADE QUESTIONABLE CASH WITHDRAWALS TOTALING AT LEAST \$7,677

During the investigative period, former ALES and JSMS PTO officers made questionable ATM and over-the-counter (OTC) cash withdrawals totaling at least \$7,677. The former ALES and



JSMS PTO officers provided no supporting documentation for the withdrawals; therefore, investigators could not determine the purpose of the cash withdrawn or if it was used for the exclusive benefit of the PTO.

Summary of Questionable Cash Withdrawals				
Date	Type	Amount	Entity	Signer
5/12/2023	ATM	\$ 200.00	ALES PTO	Unknown
7/3/2023	ATM	\$ 100.00	ALES PTO	Unknown
8/3/2023	OTC Withdrawal	\$ 200.00	JSMS PTO	Jessica Slaughter
9/1/2023	OTC Withdrawal	\$ 200.00	JSMS PTO	Jessica Slaughter
12/8/2023	OTC Withdrawal	\$ 100.00	JSMS PTO	Jessica Slaughter
2/16/2024	OTC Withdrawal	\$ 150.00	JSMS PTO	Jessica Slaughter
3/1/2024	OTC Withdrawal	\$ 150.00	JSMS PTO	President
3/8/2024	OTC Withdrawal	\$ 150.00	JSMS PTO	President
4/19/2024	OTC Withdrawal	\$ 300.00	JSMS PTO	President
5/1/2024	OTC Withdrawal	\$ 250.00	JSMS PTO	President
5/1/2024	OTC Withdrawal	\$ 3,000.00	JSMS PTO	President
5/7/2024	OTC Withdrawal	\$ 300.00	JSMS PTO	President
5/15/2024	OTC Withdrawal	\$ 300.00	JSMS PTO	President
6/6/2024	OTC Withdrawal	\$ 200.00	JSMS PTO	President
6/10/2024	OTC Withdrawal	\$ 100.00	JSMS PTO	President
6/11/2024	OTC Withdrawal	\$ 150.00	JSMS PTO	President
6/12/2024	OTC Withdrawal	\$ 150.00	JSMS PTO	President
8/1/2024	OTC Withdrawal	\$ 100.00	JSMS PTO	President
9/20/2024	OTC Withdrawal	\$ 70.00	JSMS PTO	President
1/23/2025	OTC Withdrawal	\$ 100.00	JSMS PTO	President
1/24/2025	OTC Withdrawal	\$ 1,407.00	JSMS PTO	President
		<b>\$ 7,677.00</b>		

### 3. PERSONAL PURCHASES WERE MADE WITH JOHN SEVIER MIDDLE SCHOOL PTO FUNDS TOTALING \$208.14

Although former JSMS PTO officers provided no supporting documentation for disbursements, investigators obtained receipts from Walmart showing personal purchases totaling \$208.14, made with a JSMS PTO debit card. The personal purchases included food items, toys, toddler shoes, bedding, medicine, body wash, shampoo, and other household items (**Refer to Exhibit 1**). Investigators were unable to determine who made the purchases or who had access to the JSMS PTO debit card.

Exhibit 1

 <p><b>Walmart</b> Save money. Live better.</p>		 <p><b>Walmart</b> Save money. Live better.</p>	
WAL*MART TBD Mgr. TBD KINGSPORT, TN ST# 742 OP# 9019 TE# 19 TR# 1853		WAL*MART TBD Mgr. TBD KINGSPORT, TN ST# 742 OP# 9021 TE# 21 TR# 2705	
SBR TRK JRK	004750001984 F	3.94	
BZ WIGN SPK	019112401859	11.98	
BOYS SHOES	072326115317	10.98	
2IN1 COMBO	082173502928	24.96	
	<b>SUBTOTAL</b>	<b>51.86</b>	
TAX 1	9 %	4.55	
TAX 2	7 %	0.26	
	<b>TOTAL</b>	<b>56.67</b>	
	<b>DEBIT TEND</b>	<b>56.67</b>	
	**** **	**** 8264	
	<b>CHANGE DUE</b>	<b>0.00</b>	
3PC COMF K	004180813672	69.00	
MS WAX LIMO	072136602366	1.10	
MS WAX LIMO	072136602366	1.10	
MS WAX LIMO	072136602366	1.10	
OMEP MINI 4	068113109598 H	14.97	
DOVE BW	001111112412	4.97	
FRU HF PRES	060308408306	8.97	
FRU HF PRES	060308408306	8.97	
FRU HF LVN	060308408298	8.97	
LYS CSM 240	001920099375	2.67	
BND CO SM	001920099432	7.97	
HEFTY 13 GA	001370034130	8.54	
	<b>SUBTOTAL</b>	<b>138.33</b>	
TAX 1	9 %	13.14	
	<b>TOTAL</b>	<b>151.47</b>	
	<b>DEBIT TEND</b>	<b>151.47</b>	
	**** **	**** 8264	
	<b>CHANGE DUE</b>	<b>0.00</b>	

*Personal purchases in May and June 2024 using the JSMS PTO debit card*

On June 24, 2026, the Sullivan County Grand Jury indicted Jessica Slaughter on two counts of Theft of \$2,500 or more, but less than \$10,000.

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.

[Abraham Lincoln Elementary School and John Sevier Middle School Parent Teacher Organizations Investigation Exhibit](#)

**INTERNAL CONTROL AND COMPLIANCE DEFICIENCIES**

Our investigation revealed deficiencies in internal control and compliance, some of which contributed to Slaughter’s ability to perpetrate her misappropriation without prompt detection. These deficiencies included:

**Deficiency 1: Former Abraham Lincoln Elementary School and John Sevier Middle School PTO officers did not properly safeguard and maintain accurate records**

Former ALES PTO and JSMS PTO officers did not provide investigators with bylaws, financial policies, meeting minutes, bank reconciliations, imaged deposit slips and checks, documentation for collections, or documentation for disbursements including cash withdrawals. Due to the lack of supporting documentation, investigators could not determine if collections were deposited in full or if disbursements solely benefited the PTOs. According to the *Model Financial Policy*, bylaws, financial policies, and official minutes of all meetings are “considered permanent records as long as the SSO exists and shall be maintained for at least four years after dissolution of the SSO.” In addition, “All collection and disbursement records, bank statements, imaged checks, receipts/invoices for disbursements...shall be organized, and maintained by the treasurer or bookkeeper by fiscal year. These records must be maintained for at least four years.” The lack of organizational and financial records greatly increases the risk that fraud, waste, and abuse will occur without prompt detection.

**Deficiency 2: Former Abraham Lincoln Elementary School and John Sevier Middle School PTO officers failed to provide investigators with written accounting and internal control policies and procedures**

ALES and JSMS PTO officers failed to provide investigators with formal written accounting and internal control policies and procedures for operations. The *Model Financial Policy* states, “Accounting and internal control policies and procedures must be designed and implemented to ensure compliance with laws and regulations...Accounting and internal control policies and procedures must be documented and approved by the officers and/or board of directors at a regular meeting.” Establishing sound accounting and internal control policies and procedures, including monthly bank reconciliations and the review of bank documentation by club officials, ensures that funds, property, and other assets are safeguarded against waste, loss, unauthorized use, or misappropriation.

**Deficiency 3: Former John Sevier Middle School PTO officers failed to register as a nonprofit with the Tennessee Secretary of State**

Former JSMS PTO officers failed to register as a nonprofit with the Tennessee Secretary of State. According to the *Model Financial Policy*, the PTO must register with the Tennessee Secretary of State’s office and must annually confirm its status as a nonprofit.

**Deficiency 4: Former Abraham Lincoln Elementary School and John Sevier Middle School PTO officers failed to implement adequate segregation of duties**

Former ALES and JSMS PTO officers failed to adequately segregate their duties. During portions of the investigative period, Slaughter was responsible for collections, deposits, disbursements, and record maintenance for both PTOs. The *Model Financial Policy* states, “Duties shall be segregated between officers and members of the SSO. No one person within the SSO shall be in control of a transaction from inception to recording.” Allowing one member to maintain exclusive control over all financial duties of a transaction increases the risk of fraud without prompt detection.

**Deficiency 5: Former Abraham Lincoln Elementary School and John Sevier Middle School PTO officers did not require two signatures on checks**

Former ALES and JSMS PTO officers did not require two signatures on checks. The *Model Financial Policy* recommends, “Official prenumbered checks should require two signatures.” Checks having two signatures provide an increased degree of control by indicating that both authorized signers agree that the payment is proper and reasonable.

**Deficiency 6: Former John Sevier Middle School PTO officers failed to close their bank account after ceasing operations**

Although the JSMS PTO ceased operations in February 2025, the JSMS PTO bank account was still open as of February 28, 2026, with a balance of \$753.95, with Slaughter and the former president as authorized signers on the account. JSMS and school system administrations should ensure this bank account is properly closed and that the account balance is deposited with JSMS for the benefit of the school system.

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