



**STATE OF TENNESSEE  
COMPTROLLER OF THE TREASURY  
DIVISION OF INVESTIGATIONS  
SPECIAL INVESTIGATIONS UNIT**

Justin P. Wilson  
Comptroller of the Treasury

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August 22, 2013

Ms. Veronica Thornton, Program Administrator  
and Members of the Board of Directors  
Westate Corrections Network, Inc.  
128 East Main, Suite C  
Union City, TN 38261

Dear Ms. Thornton and Board Members:

The Comptroller's Division of Investigations, in conjunction with the Tennessee Bureau of Investigations, performed an investigative audit of selected records of Westate Corrections Network, Inc. The audit was limited to a review of drug court and other related collections for Obion and Weakley Counties, and focused on the period April 1, 2005, through March 31, 2013. As set forth in the Investigative Finding, the investigation revealed that former probation officer Sue Moore misappropriated agency funds of at least \$63,972.

**INVESTIGATIVE FINDING**

Westate Corrections Network, Inc., is a private probation service which provides supervision for the community correction program, including the supervision of drug court program participants in Obion and Weakley Counties. A schedule summarizing the misappropriation of agency funds by former probation officer Sue Moore and the finding resulting from this investigative audit are shown below. These matters were referred to the local district attorney general. In August 2013, the Obion County Grand Jury indicted Sue Moore on one count of theft over \$60,000, and one count of money laundering.

<b>Summary of Amounts Misappropriated by Ms. Sue Moore</b>	
<b>Method</b>	<b>Amount</b>
Court fines not remitted to county courts	\$56,206
Drug court and supervision fees not remitted to Westate Corrections Network, Inc.	7,166
Fines and fees paid by clients not supervised by Ms. Moore; deposited into Moore's personal bank account	<u>600</u>
<b>Total</b>	<b><u>\$63,972</u></b>

1. **FINDING: Former probation officer misappropriated at least \$63,972 in collections from drug court clients**

From April 2005 and continuing through March 2013, former Westate Corrections Network, Inc., [Westate] probation officer Sue Moore, diverted cash and money orders from drug court clients totaling at least \$63,972 for her personal benefit. Because Westate failed to adequately monitor certain collections, Ms. Moore was able to continue the misappropriation undetected for an extended period.

- Former probation officer Sue Moore failed to turn over to the appropriate county court clerk at least \$56,206 in court fines, costs, and restitution she had collected from clients; instead she removed and retained the collections for her personal benefit. The drug court clients Ms. Moore supervised for Westate owed court fines, county court fees, and restitution to the county courts. Ms. Moore often collected these payments from her clients, usually in the form of a money order<sup>1</sup>, purportedly for delivery to the county court clerk on the client's behalf. However, the investigation revealed many of those payments were never received by the county court clerk. Instead, Ms. Moore frequently diverted the client money orders for her personal benefit by either inserting the name of a business to which she owed money, or inserting her own name as the payee and depositing them into her personal bank account. As a result, the clients did not receive appropriate credit for paying their court-mandated debts.
- Former probation officer Sue Moore also failed to turn over to Westate certain supervision fees totaling at least \$7,166 she had collected from clients; instead, she removed and retained these collections for her personal benefit. Ms. Moore was responsible for collecting these fees owed to Westate from the clients she supervised.
- Finally, former probation officer Sue Moore deposited additional money orders from clients totaling at least \$600 into her personal bank account. The investigation revealed that Ms. Moore intercepted, and diverted for her personal use, money orders from certain Westate clients that she did not supervise.

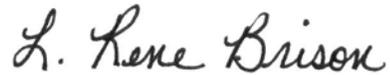
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<sup>1</sup> Clients gave the money orders to Ms. Moore with the payee portion blank, according to her instructions.

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Westate management has indicated their intention to exert increased oversight over the collection process. If you have any questions concerning the above, please contact me.

Sincerely,

A handwritten signature in cursive script that reads "L. Rene Brison".

L. Rene Brison, CPA, CFE, Assistant Director  
Division of Investigations  
Special Investigations Unit

LRB/RAD