



Campbell County High School Choral Boosters

Special Investigation
October 21, 2015

Justin P. Wilson, Comptroller





**STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY**

JAMES K. POLK STATE OFFICE BUILDING, SUITE 1600

505 DEADERICK STREET

NASHVILLE, TENNESSEE 37243-1402

PHONE (615) 401-7907

FAX (615) 532-4499

Justin P. Wilson

Comptroller of the Treasury

October 21, 2015

Campbell County High School
Choral Boosters
150 Cougar Lane
Jacksboro, TN 37757

Ladies and Gentlemen:

The Office of the Comptroller of the Treasury conducted a special investigation of selected records of the Campbell County High School Choral Boosters, and the results are presented herein.

Copies of this report are being forwarded to Governor Bill Haslam, the State Attorney General, the District Attorney General, certain state legislators, and various other interested parties. A copy is available for public inspection in our office and may be viewed at <http://www.comptroller.tn.gov/ia/>.

Sincerely,

A handwritten signature in black ink, appearing to read "Justin P. Wilson".

Comptroller of the Treasury

JPW/RAD

THIS PAGE LEFT BLANK INTENTIONALLY.

SPECIAL INVESTIGATION

Campbell County High School Choral Boosters

The Office of the Comptroller of the Treasury investigated allegations of malfeasance related to the Campbell County High School Choral Boosters.

INVESTIGATIVE RESULTS

- **Choral booster club president used club cash, debit card, and property totaling at least \$6,502 for her personal benefit**

During the period September 2014 through January 2015, April Griffie, president of the Campbell County High School Choral Booster Club (“booster club”), misappropriated at least \$6,502 from the booster club. Ms. Griffie withdrew at least \$1,934 in cash from the booster club bank account that she did not use for booster club purposes. Ms. Griffie charged personal expenses totaling at least \$1,568 on the booster club bank card. The charges included meals at local restaurants, repayment of personal loans, and her personal cell phone bill. She also issued and cashed two booster club checks totaling at least \$1,550, which she did not use for booster club activities. Records revealed that in September 2014, Ms. Griffie used booster club money totaling \$1,450 to purchase an embroidery machine so she could customize shirts for choral students. Investigators discovered that in February 2015, Ms. Griffie sold the machine and kept the proceeds. Ms. Griffie told investigators that she had used the booster club bank card for her personal purchases. She also acknowledged to investigators that she had obtained cash from the booster club bank account and sold the embroidery machine. Ms. Griffie stated to investigators that she may have used the cash for her personal use; however, she really did not remember what happened with the money.

Method	Amount
Cash withdrawals	\$1,934
Personal charges on club bank card	1,568
Checks transacted by Ms. Griffie	1,550
Embroidery machine sold by Ms. Griffie	<u>1,450</u>
Total	<u>\$6,502</u>

- **Financial mismanagement and inadequate accounting for fundraising activities**

Ms. Griffie failed to document adequately and account for all fundraising and collection activities. She did not prepare and keep a detailed record of collections or inventories. As a result, investigators were unable to determine that all collections for booster club fundraising events were deposited into the booster club bank account. An analysis of booster club bank records revealed that Ms. Griffie's deposits were at least \$3,750 less than expected.

Booster club records also revealed that collections from fundraising events were not used to pay for the products sold. As fundraising money was collected, it was spent on other projects, including Ms. Griffie's personal expenses. As of March 1, 2015, the booster club owed fundraising vendors \$12,760, yet the booster club had less than \$200 in the bank and only approximately \$5,000 of unsold fundraising inventory. Investigators noted that the only fundraising vendor that Ms. Griffie paid promptly was the one for whom she acted as a distributor and from whom she received a commission.

This matter was referred to the local district attorney general. On October 7, 2015, the Campbell County Grand Jury indicted April Lea Griffie on one count of Theft over \$1,000.

ADDITIONAL ISSUES

Our investigation revealed significant deficiencies in financial processes that contributed to the president's ability to perpetrate her misappropriation without prompt detection. These financial process deficiencies included:

- Booster club officials failed to separate financial duties adequately or to provide increased oversight when appropriate. The president performed all financial functions of the booster club with virtually no assistance from other booster club members. The president received collections, prepared, and delivered deposits to the bank, prepared and was the sole signer on most checks, and was the only official who reviewed bank statements.
- Booster club officials did not require and retain adequate supporting documentation for disbursements and other withdrawals.
- Booster club officials required only one signature on checks.
- Booster club officials did not adequately oversee, document, or account for all fundraising and collection activities.