



## State of Tennessee

Justin P. Wilson, State Comptroller

August 6, 2014

### Jackson Assisted Living Facility Misspent Thousands in State Grant Money

The administrator of the Jackson Street Faith Home in Jackson, TN properly used just \$85 of the \$54,650 in state grant funds the home received to assist with the care and services of low income residents. A new investigative report from the Tennessee Comptroller's Office reveals that much of the grant money was misspent or used for questionable expenses.

The Jackson Street Faith Home is a residential assisted living facility housing approximately eight full-time residents. The home received \$54,650 in Quality Enabling Program (QED) funds from the Tennessee Department of Health, Division of Health Care Facilities over a three year period.

The Comptroller's Office was asked to investigate after the Department of Health notified the Tennessee Bureau of Investigation about the alleged misappropriation of state grant funds. Investigators discovered a cash shortage of at least \$38,235.43 as a result of misspending, falsified or no documentation, and documentation submitted outside the grant period. Investigators also identified \$16,329.57 in questionable expenses.



The home's administrator admitted using bad judgment and creating phony invoices that were submitted to the state as documentation. The Comptroller's findings have been sent to the District Attorney General for the 26<sup>th</sup> Judicial District for consideration.

Comptroller investigators are recommending the Department of Health take steps to recover the QEP grant funds. The Department should also properly monitor grantee expenditures to provide proper accountability.

"It's a shame that money intended to care for some of Tennessee's most vulnerable and disadvantaged citizens was used for an administrator's personal benefit," Comptroller Justin P. Wilson said. "We must ensure state grant money is being used appropriately."

Funding appropriations for the Residential Homes for the Aged Quality Enabling Program were eliminated by the Tennessee General Assembly in 2012. The Jackson Street Faith Home's license was closed as of January 21, 2014.

To view the investigation online, go to: <http://www.comptroller.tn.gov/ia/>.

If you suspect fraud, waste or abuse of public money in Tennessee, call the Comptroller's toll-free hotline at

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