



**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**

April 3, 2014

Dr. B. J. Worthington, Director of Schools and
Members of the Clarksville-Montgomery County School Board
621 Gracey Avenue
Clarksville, TN 37040

Ladies and Gentlemen:

The Office of the Comptroller of the Treasury performed a special investigation of selected records of Kenwood Middle School, Clarksville-Montgomery County School System. The investigators limited their review to collections received on behalf of the Kenwood Middle School Beta Club during the period July 1, 2010, through June 30, 2012. As set forth in the investigative finding, the special investigation revealed that former Beta Club sponsor, Priscilena Shearon, misappropriated collections totaling at least \$2,289.

INVESTIGATIVE FINDING

1. **FINDING: Misappropriation of school collections totaling at least \$2,289**

The special investigation revealed that during the period July 1, 2010, through June 8, 2012, the former Beta Club sponsor, Ms. Priscilena Shearon, misappropriated school collections totaling at least \$2,289 for her personal benefit. Ms. Shearon used at least two schemes to perpetrate the misappropriation:

- Ms. Shearon misappropriated school funds totaling at least \$1,385 by removing cash collections received for Beta Club dues and field trips and retaining them for her personal benefit. Ms. Shearon concealed this misappropriation by preparing and remitting false collection records, which did not include all amounts collected.
- Ms. Shearon misappropriated school money totaling at least \$904 by charging and collecting Beta Club membership dues in excess of authorized amounts, and retaining the excess amounts for her personal benefit. Ms. Shearon recorded the payments from students in a separate receipt book, the existence of which neither the bookkeeper nor other school officials were aware. To conceal her misappropriation of the excess cash collections, Ms. Shearon listed only the

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authorized amounts on collection logs that she prepared and remitted to the bookkeeper.

We referred this matter to the local district attorney general. On March 4, 2014, the Montgomery County Grand Jury indicted Priscilena Shearon on one count of theft over \$1,000.

Initially, school system employees conducted an internal investigation and interviewed Ms. Shearon, at which time she admitted that she took Beta Club collections for her personal benefit and agreed to have the misappropriated amounts withheld from her final two paychecks. As required by law, school system officials notified the Comptroller's Office of the misappropriation. The Comptroller's Office initiated an investigation of the missing money when school officials chose not to notify local law enforcement or the district attorney general of this theft of student funds.

We recommend that members of the school board review their policies and practices, and ensure that all apparent criminal activity they investigate is appropriately reported to local law enforcement and the local district attorney general's office.

Sincerely,



L. Rene Brison, CPA, CFE, Assistant Director
Office of the Comptroller of the Treasury

LRB/RAD