



## Jason E. Mumpower, Comptroller of the Treasury

December 8, 2023

### Investigation Reveals Poor Bookkeeping within Sevier County School

An investigation by the Tennessee Comptroller's Office focused on a former bookkeeper's responsibilities within Catlettsburg Elementary School in Sevierville. The investigation began after the school's auditor reported accounting irregularities to the Comptroller's Office.

Investigators determined the school's former bookkeeper failed to deposit cash collections totaling \$2,309.50 until seven months had passed. State law requires funds to be deposited within three days.

On February 15, 2022, the former bookkeeper received collections totaling \$3,003.70 (\$2,309.50 cash and \$694.20 checks) but voided the receipt in the school's accounting system software on February 28 without depositing the cash funds. Voiding the receipt could give the appearance that the cash had not been collected. She deposited the checks in March.

The former bookkeeper said she had stored the undeposited cash in the school's vault and forgot about it until after she was questioned by the school's auditor. The cash consisted of individual small amounts from the yearbook, field trip, concessions, pizza, and Beta Club collections. On September 19, 2022, the cash was deposited; however, the deposit included seven \$100 dollar bills which caused investigators to question the former bookkeeper's version of events.

Investigators also found the former bookkeeper signed another employee's signature on 12 concession collection logs without permission, and she used school credit card cash rewards to make personal purchases totaling at least \$21.

The former bookkeeper was reassigned to a different position within the Sevier County School System in 2023. The results of this investigation were communicated with the Office of the District Attorney General of the 4<sup>th</sup> Judicial District.

"School leaders must ensure they have adequate oversight over their internal bookkeeping operations so that one person isn't delegated too much financial responsibility," said Comptroller Mumpower. "It's also important to establish procedures to make sure that all money collected is deposited in a bank account within three days."

To view the investigative report, go to [tncot.cc/doireports](https://tncot.cc/doireports). To view a map depicting Comptroller investigations, go to [tncot.cc/mappinginvestigations](https://tncot.cc/mappinginvestigations)

If you suspect fraud, waste, or abuse of public money in Tennessee, call the Comptroller's toll-free hotline at 800.232.5454, or file a report online at: [tncot.cc/fraud](https://tncot.cc/fraud). Follow us on X/Twitter [@TNCOT](https://twitter.com/TNCOT) and Instagram [@tncot](https://www.instagram.com/tncot)

Media contact: John Dunn, Director of Communications, 615.401.7755 or [john.dunn@cot.tn.gov](mailto:john.dunn@cot.tn.gov)

