



COMPTROLLER'S INVESTIGATIVE REPORT

Montgomery Central Middle School

September 11, 2023

Jason E. Mumpower
Comptroller of the Treasury



DIVISION OF INVESTIGATIONS



JASON E. MUMPOWER
Comptroller

September 11, 2023

Montgomery County School Board
3941 State Highway 48
Cunningham, TN 37052

Montgomery County School Board Officials:

The Office of the Comptroller of the Treasury conducted an investigation of selected records of the Montgomery Central Middle School, and the results are presented herein.

Copies of this report are being forwarded to Governor Bill Lee, the State Attorney General, the District Attorney General of the 19th Judicial District, certain state legislators, and various other interested parties. A copy of the report is available for public inspection in our Office and may be viewed at <http://www.comptroller.tn.gov/ia/>.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jason E. Mumpower", is written over a faint, larger version of the signature.

Jason E. Mumpower
Comptroller of the Treasury

JEM/MLC

INVESTIGATIVE REPORT

Montgomery Central Middle School

The Office of the Comptroller of the Treasury investigated allegations of malfeasance related to Montgomery Central Middle School. This investigation was initiated after school officials reported allegations of potential malfeasance related to the boys' basketball team fundraising events. The investigation was limited to selected records for the period July 1, 2022, through November 16, 2022. The results of the investigation were communicated with the Office of the District Attorney General of the 19th Judicial District.

BACKGROUND



Montgomery Central Middle School (MCMS), located in Clarksville, Tennessee, is one of the eight middle schools within the Clarksville-Montgomery County School System (CMCSS). MCMS serves students in grades six through eight. MCMS supports three athletic teams: a cross country team, a girls' basketball team, and a boys' basketball team.

David Bryant (Bryant) was hired by MCMS as Head Coach of the boys' basketball team and as an Extended Behavior Specialist Assistant Teacher in June 2021. He was placed on Administrative Leave from

MCMS effective November 3, 2022, after MCMS staff began reviewing fundraiser collections. Bryant's employment was terminated, effective November 10, 2022.

RESULTS OF INVESTIGATION

1. FORMER MCMS BOYS' BASKETBALL COACH DAVID BRYANT MISAPPROPRIATED FUNDRAISING COLLECTIONS TOTALING AT LEAST \$988.28

From September 2022 through October 2022, former MCMS boys' basketball Head Coach David Bryant misappropriated fundraising collections totaling at least \$988.28. Bryant collected funds for a basketball gear fundraiser and a t-shirt fundraiser held to benefit the boys' basketball team. Bryant failed to record collections on a collection log and failed to provide receipts for collections, effectively concealing the amount collected.

A. Bryant misappropriated collections from the basketball gear fundraiser totaling \$908.28

In October 2022, Bryant conducted a fundraiser to purchase basketball gear for the players including warmup suits, travel bags, and shoes. He instructed parents of varsity players to pay \$149 to cover the cost of their child’s warmup suit and travel bag and told the parents that MCMS would cover the cost of their child’s basketball shoes. Bryant told parents of junior varsity players to pay \$247 to cover the cost of their child’s warmup suits, travel bags, and basketball shoes. Bryant collected money from parents and students but failed to issue receipts or keep record of the payments. Bryant retained possession of the basketball gear funds until October 28, 2022, when he remitted funds to the MCMS bookkeeper totaling \$3,915.72. As Bryant did not have receipts or collection logs to verify the total funds collected, the MCMS bookkeeper requested a list of parents that paid cash for the basketball gear. Bryant provided the bookkeeper with a handwritten list of names, parents and students, and amounts received by each person. Investigators noted that the list of cash payments totaled to \$900 despite Bryant only remitting \$680.72 in cash. The balance of the remitted funds was paid by check, totaling \$3,235 (\$3,915.72 less \$680.72).

In addition to collecting cash and checks, Bryant accepted two payments from parents through Cash App, an online financial application. During his meeting with investigators, Bryant confirmed he received two Cash App payments and provided investigators with a screenshot of the payments. Bryant told investigators that he included the two payments with the cash deposit; however, these payments were not included in the list of cash payments provided by Bryant.

On November 3, 2022, MCMS officials held a meeting with Bryant to discuss concerns with the fundraiser collections. Near the end of the meeting, Bryant went to his classroom and returned to the meeting with \$200 in cash that was collected for the basketball gear fundraiser but not remitted to the bookkeeper. Bryant was then placed on Administrative Leave until MCMS completed its review of the fundraisers.

MCMS staff contacted parents of the players to determine the respective amounts and method of payments to Bryant. According to information received from parents, collections for basketball gear should have totaled \$5,024. After MCMS determined that the players would not receive the basketball gear in time for the season, MCMS cancelled the order and issued refund checks to the parents.

Misappropriated Funds - Basketball Gear Fundraiser	
Amount Returned to Parents	\$ 5,024.00
Less: Collections Remitted to Bookkeeper on 10/28/22	(3,915.72)
Less: Cash Remitted to MCMS Officials After Meeting on 11/03/2022	(200.00)
Amount of Misappropriation	\$ 908.28

Investigators noted that the amount of the collections remitted to the MCMS bookkeeper on October 28, 2022 (\$3,915.72), matched a quote provided by a local vendor for the basketball warmup suits and travel bags. By comparing the statements made by parents to the collections remitted by Bryant to the MCMS bookkeeper, investigators determined that Bryant remitted all the checks he collected, but only remitted enough cash to match the local vendor's quote to purchase the basketball warmup suits and travel bags. (See Exhibit 1)

Exhibit 1

Sold to 612259 MONTGOMERY CENTRAL MIDDLE SCHO 3941 HIGHWAY 48 CUNNINGHAM TN 37052-5020 USA	Ship To 1612259 MONTGOMERY CENTRAL MIDDLE SCHO Coach Bryant 3941 HIGHWAY 48 CUNNINGHAM TN 37052-5020 USA	Payer 11841102 Montgomery Central MS-taxable 3941 HIGHWAY 48 CUNNINGHAM TN 37052 USA	
Item Description	Qty	Unit Price	Total
193 - ROYAL-EPIC 2.0 KNIT JACKET Item # - NKC9409 SML MED LRG 8 8 8	24 EA	\$ 50.00	\$ 1,200.00
193 - ROYAL-EPIC 2.0 KNIT PANT Item # - NKC9470 SML MED LRG 8 8 8	24 EA	\$ 34.00	\$ 816.00
Step UP Backpack-Steel Item # - 1456011	24 EA	\$ 65.00	\$ 1,560.00
	Subtotal:		\$3,576.00
	Other:		\$0.00
	Freight:		\$0.00
	Sales Tax:		\$339.72
	Order Total:		\$3,915.72
	Payment/Credit Applied:		\$0.00
	Order Total:		\$3,915.72

\$3,915.72

OFFICIAL RECEIPT
Montgomery Central Middle

No. 1121

Effective Date : 10/28/2022	 MONTGOMERY CENTRAL MIDDLE SCHOOL 3941 HIGHWAY 48 CUNNINGHAM, TN 37052 PH: 931-387-2575	
Receipt Number : 1121		
Received From : DAVID BRYANT		
Receipt Total : \$3,915.72	Cash Amt : \$680.72	Check Amt : \$3,235.00
boys bb warm ups/bags	602000.000	Boys Basketball \$3,915.72

\$3,915.72

*Top: Excerpt of quote by a local vendor to order warmup suits and travel bags.
Bottom: Official Receipt from MCMS of funds remitted by Bryant.*

B. Bryant misappropriated T-shirt fundraiser collections totaling \$80

In September and October 2022, Bryant held a t-shirt fundraiser to support the boys’ basketball team. T-shirts were priced at \$20 each with a \$2 upcharge for XXL and XXXL sizes. Bryant planned to hold the fundraiser online, but the fundraiser was changed to a pre-sale when the vendor could not accept orders and payments online. Bryant remitted \$1,428 in t-shirt collections to the MCMS bookkeeper on October 28, 2022. Bryant provided MCMS with a list of names and order totals, but he failed to issue receipts or complete a collection log.

As MCMS staff called players’ parents to determine how much was collected for the basketball gear fundraiser, one parent reported that they did not receive t-shirts after paying \$80 cash to Bryant. Bryant failed to record the payment and failed to include the order; however, Bryant retained possession of the funds. MCMS issued the parent a refund for the payment. Bryant told investigators that it was possible a payment was received but not included in the list of orders because kids were bringing him money throughout the day including in the hallway or during practice.

Summary of Misappropriation by Former Basketball Coach David Bryant

Misappropriation		Amount
a)	Misappropriated from Basketball Gear Fundraiser	\$908.28
b)	Misappropriated from T-shirt Fundraiser	80.00
Total Misappropriated		\$988.28

On August 7, 2023, the Montgomery County Grand Jury indicted David Lemont Bryant for one count of Theft of Property \$1,000 or less.

The charges and allegations contained in the indictment are merely accusations of criminal conduct, and not evidence. The defendant is presumed innocent unless and until proven guilty beyond a reasonable doubt and convicted through due process of law.

[Montgomery Central Middle School Investigative Exhibit](#)

INTERNAL CONTROL AND COMPLIANCE DEFICIENCIES

Our investigation revealed the following deficiencies in internal controls and compliance, some of which contributed to Bryant’s ability to perpetrate his misappropriation without prompt detection:

Deficiency 1: School officials failed to adequately account for collection activities

School officials failed to oversee, document, or adequately account for collections activities. *The Clarksville Montgomery County School System Policy ISA-P003 – Receiving and Accounting for Funds Within the Classroom or Activity Site (ISA-P003) Section 5.2* states, “Teacher, coach, or aide counts/verifies, and documents funds received from students, for each activity, on the teacher collection log.” Bryant failed to complete a collection log for payments received from parents and students for the t-shirt fundraiser and the basketball gear fundraiser. *ISA-P003 Section 5.2.1* states, “A 3-part manual receipt is written to students when cash is received.” Bryant failed to issue receipts to parents and students for cash collections for the fundraisers. Providing adequate accountability and oversight of collections helps ensure all collections are properly accounted for.

Deficiency 2: School officials failed to ensure collections from fundraising events were deposited within three days of receipt

School officials failed to ensure collections from fundraising events were deposited within three days of receipt as instructed by MCMS policy and state law. *ISA-P003 Section 5.3.2* states, “Funds are not to be held by teachers, coaches, or aides beyond the day of actual collection.” And *ISA-P003 Section 5.5* states, “All funds collected must be deposited intact within three banking days after receipt.” Tenn. Code Ann. § 49-2-110 requires school systems that establish and maintain student activity funds to adopt the *Tennessee Internal School Uniform Accounting Policy Manual* (manual) and to maintain all such funds and records in accordance with the requirements set forth in the manual. Section 4, title 2 of the *Tennessee Internal School Uniform Accounting Policy Manual* states that “fund money must be deposited intact (in the form and amount in which collected) in banks within three banking days after the money is received.”

Bryant collected six (6) check payments for a t-shirt fundraiser dated as early as September 16, 2022, through October 18, 2022; however, Bryant failed to remit funds to the MCMS bookkeeper for deposit until October 28, 2022. The earliest check was retained by Bryant for 42 days before he remitted funds to the MCMS bookkeeper. Bryant also collected 10 checks for the basketball gear fundraiser dated between October 18, 2022, and October 21, 2022. Bryant failed to remit the collections until October 28, 2022, up to 10 days after receiving the first check. Ensuring collections are remitted to the bookkeeper intact and in the form and amount in which they were collected reduces the risks of errors or misappropriation. The delay in depositing collections weakens controls over collections and increases the risks of fraud and misappropriation.

Deficiency 3: School officials failed to require proper fundraiser approval forms before the start of fundraisers

School officials failed to require proper fundraiser approval forms to MCMS staff before the start of the basketball gear fundraiser. Bryant did not submit a fundraiser approval form until at least

six (6) days after first collecting funds for the event. While Bryant completed an approval form for the t-shirt fundraiser in August 2022, Bryant failed to submit a corrected approval form once the fundraiser changed from an online event to a pre-sale until after he collected the funds.

MCMS officials indicated that they have corrected or intend to correct these deficiencies.
