Tennessee Comptroller of the Treasury

Comptroller's Investigative Report

Clarksburg School Parent Teacher Organization

September 15, 2026

Jason E. Mumpower
Comptroller of the Treasury

Division of Investigations

TENNESSEE COMPTROLLER OF THE TREASURY

JASON E. MUMPOWER
Comptroller

September 15, 2026

South Carroll Special School District Board
145 Clarksburg Road
Huntingdon, TN 38344

South Carroll Special School District Board Officials:

The Office of the Comptroller of the Treasury conducted an investigation of selected records of the Clarksburg School Parent Teacher Organization, 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 24th 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,

Jason E. Mumpower
Comptroller of the Treasury

JEM/MLC

INVESTIGATIVE REPORT

Clarksburg School Parent Teacher Organization

The Office of the Comptroller of the Treasury investigated allegations of malfeasance related to the Clarksburg School Parent Teacher Organization. The investigation was initiated after Clarksburg School Parent Teacher Organization officials identified and reported questionable purchases. The investigation was limited to selected records for the period December 1, 2023, through October 31, 2025. The results of the investigation were communicated with the Office of the District Attorney General of the 24th Judicial District.

BACKGROUND

The Clarksburg School Parent Teacher Organization (PTO) supports teachers and students at Clarksburg School (school), a PreK-12 public school in Huntingdon, Tennessee, with approximately 300 students enrolled on campus. The Clarksburg School is the only school in the South Carroll Special School District (district). The PTO holds fundraisers and accepts donations (both monetary and in-kind) to support its mission. The PTO is governed by a board consisting of a president, vice president, secretary, treasurer, and three designated representatives from the school. The president, vice president, and treasurer are the authorized signers on the PTO's checking account, and the treasurer maintains the organization's checkbook and debit card.

Rachel Sawyers served as the PTO treasurer from December 14, 2023, to October 29, 2024, and again from January 21, 2025, to August 21, 2025. Sawyers served as the PTO vice president from October 29, 2024, to January 21, 2025, and again from August 21, 2025, until she resigned on November 4, 2025.

The School Support Organization (SSO) Financial Accountability Act, codified in Tenn. Code Ann. § 49-2-601 *et seq.* provides that PTO officers, like officers of all other SSOs, are required to ensure the funds and property of their organization are safeguarded and used only for purposes related to the goals and objectives of the organization. To assist such officers in discharging their duties, the Comptroller, pursuant to Tenn. Code Ann. § 49-2-610, published the *Model Financial Policy for School Support Organizations (Model Financial Policy)*, which prescribes a set of accounting controls to ensure the funds are used to further the organization's goals and objectives.

RESULTS OF INVESTIGATION

1. FORMER TREASURER AND VICE PRESIDENT RACHEL SAWYERS MISAPPROPRIATED AT LEAST $1,490.44 FROM THE CLARKSBURG SCHOOL PARENT TEACHER ORGANIZATION

Former treasurer and vice president Rachel Sawyers misappropriated at least $1,490.44 from the PTO. During the investigative period, Sawyers made numerous personal online purchases at Amazon and Walmart using the PTO's debit card. Investigators determined that most of these purchases were made in the summer of 2025, when neither the school nor the PTO was in session **(Refer to Exhibit 1)**. Board members confirmed to investigators that all PTO purchases require board approval by vote, and these transactions made by Sawyers were not approved. Sawyers told investigators that these purchases were for her personal use.

Exhibit 1

Date	Description	Amount
7/07	DBT CRD 0903 07/06/25 06070413 AMAZON MKTPL*NL1CA3EW2 Amzn.com/bill WA C#6218	43.62-
7/07	POS DEB 1504 07/03/25 15591012 Walmart.com Walmart.com Bentonville AR C#6218	60.68-
7/07	POS DEB 0859 07/04/25 08043220 Walmart.com Walmart.com Bentonville AR C#6218	66.44-
7/07	POS DEB 0930 07/05/25 09364592 Walmart.com Walmart.com Bentonville AR C#6218	106.71-
7/09	POS DEB 0306 07/08/25 03275946 Walmart.com Walmart.com Bentonville AR C#6218	62.41-
7/10	DBT CRD 1538 07/09/25 42845986 WMT PLUS 2025 WALMART.COM AR C#6218	107.31-

Portion of PTO bank statement showing online purchases in July 2025 for Sawyers' personal use

<u>**Summary of Misappropriation by Sawyers**</u>

Misappropriation	Amount
Amazon online purchases	$ 325.50
Walmart online purchases	1,164.94
Total	**$ 1,490.44**

New board members were elected to the PTO board in August 2025. After the election, the board requested PTO records from Sawyers to conduct an internal review of its finances. However, Sawyers delayed giving the records to the board. On October 20 and 21, 2025, Sawyers made several cash deposits into the PTO's bank account. Sawyers did not provide the PTO records to the new treasurer until October 22, 2025, thereby delaying detection of her misappropriation. Sawyers deposited $2,039.01 from her personal bank account into the PTO account, as detailed below.

Sawyers' Summary of Deposits

Description	Amount
10/20/2025 - Deposit #1	$ 975.00
10/21/2025 - Deposit #2	$190.00
10/21/2025 - Deposit #3	$453.01
11/4/2025 - Deposit #4	$421.00
Total Deposits	**$2,039.01**

Sawyers made the initial cash deposits in October 2025 to repay the PTO bank account based on her own calculations of missing funds. The last cash deposit into the PTO bank account was made in November 2025 after the new PTO treasurer's internal review, which was independent of this investigation.

2. FORMER PTO BOARD MEMBERS MADE QUESTIONABLE TRANSACTIONS TOTALING $2,181.38

Former PTO board members made questionable transactions totaling $2,181.38. These transactions include numerous checks written to individuals, various retail transactions, and Cash App payments to an individual. The PTO did not retain supporting documentation and did not provide investigators with additional information about these transactions. Aside from the Cash App payments, Sawyers was the treasurer at the time of these transactions and maintained custody of the PTO's debit card. Without supporting documentation, investigators could not determine if these transactions were used for the exclusive benefit of the PTO.

On September 14, 2026, the Carroll County Grand Jury indicted Rachel Sawyers on one count of Theft of Property greater than $1,000, and one count of Fraudulent Use of a Debit Card.

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.

Clarksburg School Parent Teacher Organization Investigation Exhibit

INTERNAL CONTROL AND COMPLIANCE DEFICIENCIES

Our investigation revealed deficiencies in internal control and compliance, some of which contributed to Sawyers' ability to perpetrate her misappropriation without prompt detection. These deficiencies included:

Deficiency 1: PTO board members failed to report suspected fraud to the Comptroller's Office in a timely manner

PTO board members failed to report suspected fraud to the Comptroller's Office in a timely manner. The *Model Financial Policy* states, "[t]he SSO must immediately contact the Comptroller of the Treasury, Division of Investigations … if fraud is suspected." Investigators determined that the PTO board members suspected misuse of its bank account several weeks before notifying the Comptroller's Office.

Deficiency 2: The district director of schools failed to report suspected fraud to the Comptroller's Office

The district director of schools failed to report suspected fraud to the Comptroller's Office. The director of schools stated that she did not report this incident to the Comptroller's Office after the PTO board members notified her of unaccounted-for funds. She failed to fulfill her duty as director of schools by failing to comply with Tenn. Code Ann. § 8-4-503, which states, "A public official with knowledge based upon available information that reasonably causes the public official to believe that unlawful conduct has occurred shall report the information in a reasonable amount of time to the office of the comptroller of the treasury."

Deficiency 3: PTO board members failed to review bank statements and supporting documentation monthly

PTO board members failed to review bank statements and supporting documentation monthly. The *Model Financial Policy* requires officers to review all receipt and disbursement transactions and supporting documentation, as well as bank statements, monthly. Failure to review financial records weakens internal controls and increases the risk of fraud and misappropriation.

Deficiency 4: PTO board members failed to segregate financial duties

PTO board members failed to segregate financial duties. The *Model Financial Policy* states, in part, "No one person within the SSO shall be in control of a transaction from inception to recording." Sawyers was able to conceal her misappropriations for an extended period because she had sole control over initiating transactions with the PTO's debit card, maintaining supporting documentation, and reviewing bank statements. Allowing one individual exclusive control over financial duties increases the risk that fraud, waste, or abuse will occur without prompt detection.

Deficiency 5: PTO board members violated their own bylaws by using Cash App

PTO board members violated their bylaws by using Cash App. The PTO's bylaws state, in part, "Any purchases/payouts made by the PTO will either be in the form of a check from the PTO with two (2) board member signatures or directly with the PTO bank card. This card cannot be used to transfer money (PayPal, Venmo, etc.)." As noted above, there were several transactions using PTO funds at Cash App, an electronic payment app used to transfer money.

Deficiency 6: PTO board members did not adhere to the school board policy

PTO board members did not adhere to the school board policy. District school board policy 2.404, governing School Support Organizations, including the PTO, states, "The school support organization's officers shall ensure that school support organization funds are safeguarded and are spent only for purposes related to the stated goals and objectives of the organization." As noted above, PTO board members failed to regularly review financial documentation and segregate duties, consequently failing to safeguard its funds.

PTO board members indicated that they have corrected or intend to correct these deficiencies.