Comptroller's Investigative Report

DeKalb County Band Boosters

August 10, 2026

Jason E. Mumpower

Comptroller of the Treasury

Division of Investigations

Tennessee Comptroller of the Treasury

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Comptroller

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DeKalb County Board of Education
110 S Public Square
Smithville, TN 37166

DeKalb County Board of Education Officials:

The Office of the Comptroller of the Treasury conducted an investigation of selected records of the DeKalb County Band Boosters, 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 13th 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

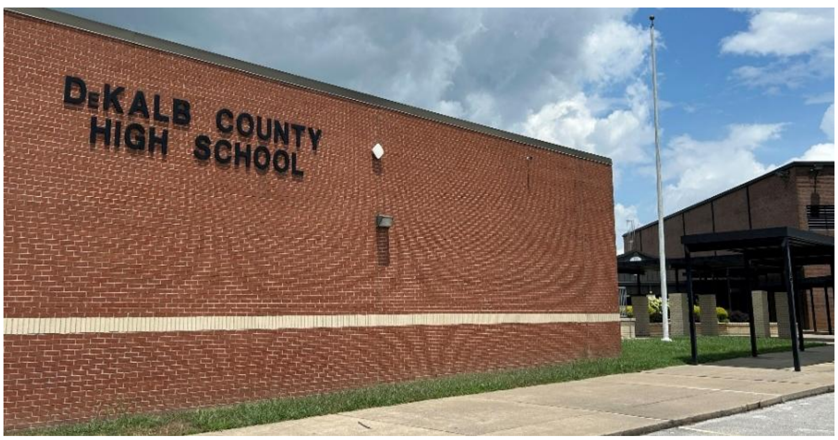
JEM/MLC

INVESTIGATIVE REPORT

DeKalb County Band Boosters

The Office of the Comptroller of the Treasury, in conjunction with the Smithville City Police Department, investigated allegations of malfeasance related to the DeKalb County Band Boosters. The investigation was initiated after DeKalb County school officials identified and reported discrepancies involving the booster club treasurer. The investigation was limited to selected records for the period January 1, 2021, through October 31, 2025. The results of the investigation were communicated with the Office of the District Attorney General of the 13th Judicial District.

BACKGROUND



The DeKalb County School District (district), located in Smithville, Tennessee, consists of five schools serving students in Pre-K through 12th grade. The district offers a fine arts band program, and students in grades 7 through 12 may participate in the high school's Fighting Tiger Marching Band.

The DeKalb County Band Boosters (booster club) was established in May 2017 as a non-profit corporation and was an approved school support organization of the district. The booster club was led by parents, guardians of students, and other volunteers who promoted, encouraged interest, engaged in band activities, and provided financial support to the band program. The primary funding sources for the booster club were participation dues, concession sales at home football games, and various fundraising activities.

The booster club was managed by an elected executive board consisting of a president, vice president, secretary, treasurer, and an alternate officer. The treasurer was responsible for receiving, depositing, and disbursing funds, as well as preparing and presenting a monthly financial report at the booster club meetings. The treasurer served in her position from at least February 8, 2020, until the booster club was dissolved on December 18, 2025.

The School Support Organization Financial Accountability Act, codified in Tenn. Code Ann. §49-2-601 *et seq.*, provides that officers 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 DEKALB COUNTY BAND BOOSTERS' TREASURER MEGAN MOSLEY MISAPPROPRIATED FUNDS TOTALING AT LEAST $48,650.42

Former booster club treasurer, Megan Mosley, misappropriated funds totaling at least $48,650.42 as follows:

A. Mosley misappropriated at least $44,821.92 through Venmo payments to herself and a family member

The booster club maintained a Venmo account, a mobile payment application that allows users to send and receive funds electronically. The Venmo account was established in July 2020 using Mosley's physical address and personal phone number. Investigators reviewed all 243 Venmo transactions from the booster club account and determined that Mosley made 229 personal disbursements to herself or a family member. Investigators verified these disbursements by tracing the payments to corresponding deposits into Mosley's personal bank account.

Many Venmo transaction descriptions included generic terms such as "Miscellaneous" or "Reimbursement," and did not identify the purpose of the payments. Due to the lack of sufficient detail, investigators analyzed Mosley's personal bank accounts to identify reasonable reimbursements for band-related purchases and deducted those amounts from the total misappropriation.

Summary of Disbursement Misappropriation by Mosley	
Personal Disbursements	$ 56,723.63
Less: Reimbursement for Band Purchases	(11,901.71)
Total Disbursement Misappropriation	**$ 44,821.92**
Repayment by Mosley	$ 10,320.08
Total Disbursement Misappropriation Unrecovered	**$ 34,501.84**

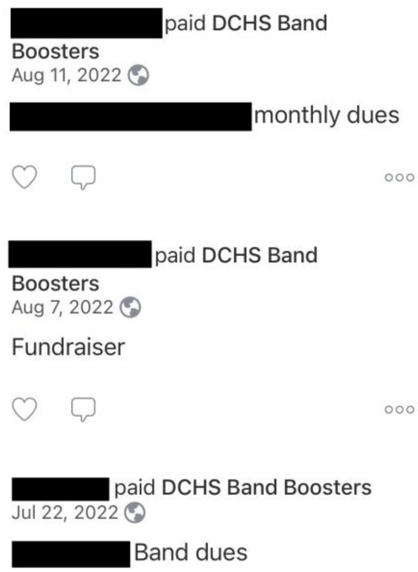
An analysis of Mosley's personal bank accounts identified transfers totaling $10,320.08 from her personal bank accounts to the booster club's Venmo account, resulting in unrecovered funds totaling $34,501.84.

B. Mosley misappropriated at least $3,828.50 by diverting participation dues and fundraising proceeds

As booster club treasurer, Mosley was responsible for receiving, depositing, and accounting for all band collections received by cash, check, Venmo, and Square (a mobile point-of-sale platform). Investigators determined that Mosley diverted band collections as described below and summarized in the following table.

i. Investigators determined that at least $2,543.50 in band collections received through Venmo were not deposited into the booster club's bank account **(Refer to Exhibit 1)**. Investigators traced the funds to transfers into Mosley's personal bank account or to another unidentified account.

Exhibit 1



Band collections received through the booster club's Venmo account

ii. Investigators determined that at least $1,285 in proceeds from a booster club car wash fundraiser were not deposited into the booster club's bank account. The booster club conducted the fundraiser on October 4, 2025, and reported proceeds of at least $1,300. Investigators determined that only $15 was deposited into the booster club's bank account.

Due to the lack of supporting documentation for the remaining band collections, investigators were unable to determine the source(s) of collections, nor determine if all collections were properly deposited.

Summary of Collection Misappropriation by Mosley	
Band Collections Transferred to Non-Band Related Accounts	$ 2,543.50
Car Wash Fundraiser Collections Not Deposited	1,285.00
Total Collection Misappropriation	**$ 3,828.50**

2. MOSLEY SUBMITTED FALSE MONTHLY FINANCIAL REPORTS TO THE BOOSTER CLUB BOARD

Mosley submitted false monthly financial reports to the booster club board. The booster club by-laws required that the treasurer prepare and present a monthly financial report at the booster club meetings. Investigators determined that Mosley presented false ending bank balances that misrepresented the financial position of the booster club **(Refer to Exhibit 2)**.

Exhibit 2

Balance Reported by Mosley

Ending Balance $9,148.32

Bank Statement Daily Balances

Checking Balance on Each Day There was Activity:

Date	Balance	Date	Balance	Date	Balance
10/01	270.92	10/07	120.92	10/28	293.34
10/04	70.92	10/09	27.63	10/29	93.34

October 22, 2024, ending balance as reported by Mosley compared to the bank statement's daily balance

3. THE BOOSTER CLUB HAD QUESTIONABLE DISBURSEMENTS TOTALING AT LEAST $74,040.97

In addition to the misappropriations noted above, investigators identified at least $74,040.97 in questionable disbursements from the booster club bank account. The booster club did not maintain adequate supporting documentation, such as itemized receipts and invoices, to substantiate these disbursements. Therefore, investigators were unable to verify the legitimacy of the disbursements or determine whether they were solely for the benefit of the band program.

On August 4, 2026, the DeKalb County Grand Jury indicted Megan Mosley on one count of Theft over $10,000, and three counts of Forgery.

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.

DeKalb County Band Boosters Investigation Exhibit

INTERNAL CONTROL AND COMPLIANCE DEFICIENCIES

Our investigation revealed deficiencies in internal control and compliance, which contributed to Mosley's ability to misappropriate booster club funds without prompt detection. These deficiencies included:

Deficiency 1: Booster club officers failed to properly safeguard and maintain accurate records

Booster club officers did not retain or provide investigators with adequate supporting documentation for meeting minutes, collections, and disbursements. As a result, investigators could not determine if collections were accurate, whether all collections were deposited, or confirm if disbursements were for legitimate band-related purposes.

According to the *Model Financial Policy*, official meeting minutes of all meetings are "considered permanent records as long as the SSO exists and shall be maintained for at least four years after dissolution of the SSO." In addition, "All collection and disbursement records, bank statements, imaged checks, receipts/invoices for disbursements…shall be organized and maintained by the treasurer or bookkeeper by fiscal year. These records must be maintained for at least four years." The lack of meeting minutes and financial records increases the risk that fraud, waste, and abuse will occur without prompt detection.

Deficiency 2: Booster club officers failed to adequately segregate financial duties

Booster club officers failed to adequately segregate financial duties. Mosley was responsible for operating the booster club's Venmo account, making purchases, maintaining the accounting records, collecting and depositing funds, and preparing financial reports. The *Model Financial Policy* states, "Duties shall be segregated between officers and members of the SSO. No one person within the SSO shall be in control of a transaction from inception to recording." Allowing a single individual to have exclusive control over all financial duties of a transaction increases the risk of fraud, waste, or abuse without prompt detection.

Deficiency 3: District officials failed to provide oversight of the band booster club as required by board policy

District officials failed to provide oversight of the booster club as required by the board of education policy.

A. DeKalb County Board of Education Policy 2.404 requires a written agreement between a school support organization and the board of education, as well as an annual review of the student support agreement for reverification prior to the beginning of the regular school year. District officials were unable to provide the written agreement or documentation to support completion of the annual review since the booster club's inception.

B. Additionally, DeKalb County Board of Education Policy 2.404 requires that school support organizations provide access to all books, records, and bank account information to officials of the local school board, local school principal, or auditors upon request. School officials told investigators that they requested such records on multiple occasions but never received them; however, no administrative action was taken regarding the school support organization's noncompliance. District officials were unable to provide any records of the band booster club since its inception.

Adequate oversight of school support organizations helps ensure funds are properly accounted for and used only for authorized and legitimate purposes that benefit students, parents, and teachers. Failure to enforce board policy increases the risk of errors, fraud, waste, and abuse without timely detection.

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