



SULLIVAN NORTH HIGH SCHOOL

Investigative Report
January 27, 2017

Justin P. Wilson, Comptroller





**STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DIVISION OF INVESTIGATION**

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Comptroller of the Treasury

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Director of Schools and Members of the
Board of Education
Sullivan County Department of Education
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Director of Schools and Board Members:

The Office of the Comptroller of the Treasury conducted an investigation of selected records of Sullivan North High School, Sullivan County Department of Education, and the results are presented herein.

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

Sincerely,

Comptroller of the Treasury

JPW/RAD

Sullivan North High School

The Office of the Comptroller of the Treasury investigated allegations of malfeasance related to Sullivan North High School, Sullivan County Department of Education.

INVESTIGATIVE RESULTS

- **Former bookkeeper Tami Minnick misappropriated school funds totaling at least \$1,200**

During the period August 16, 2016, through September 10, 2016, former school bookkeeper Tami Minnick misappropriated proceeds totaling at least \$1,200 from admissions charged for athletic events. Ms. Minnick recorded false amounts on related ticket reconciliation forms, prepared false receipts, and made false entries in the school's accounting system, apparently in an attempt to conceal her actions. A comparison of collection amounts, which were informally documented for some spring 2016 athletic events, to related amounts deposited by Ms. Minnick indicated that this was an ongoing scheme.

Ms. Minnick admitted to Comptroller investigators that, without anyone's knowledge, she took cash from school athletic collections and used it to pay personal bills. She also admitted that she failed to include the amounts she took in school records. Ms. Minnick was suspended without pay immediately and was terminated from her employment with the Sullivan County Department of Education on September 14, 2016.

This matter was referred to the local district attorney general. On January 18, 2017, the Sullivan County Grand Jury indicted Ms. Tami Minnick on one count of Theft over \$1,000 and four counts of Forgery.

ADDITIONAL ISSUES

Our investigation revealed significant deficiencies in the school's financial processes that contributed to the former bookkeeper's ability to perpetrate her misappropriation without prompt detection. These financial process deficiencies included:

- School officials failed to separate incompatible financial duties or to provide increased oversight when appropriate. In some instances, athletic admission collections were not counted prior to being turned over to the former bookkeeper, who received, recorded, reconciled, and deposited all school collections.

- School officials did not ensure that athletic gate workers verified beginning change amounts, provided tickets to attendees, counted admission collections at the close of events, and completed related ticket reconciliations documenting the expected and actual amounts collected at the events. Instead, in many instances, Ms. Minnick prepared the cash box without verification and was the only individual who counted the collections. Some athletic gate workers acknowledged that they signed the documentation in advance, or after Ms. Minnick completed it. In at least two instances, workers indicated that their signatures on documents prepared by Ms. Minnick were not authentic.

Sullivan North High School officials indicated that they have corrected these deficiencies.