

# How Three Directors and a Hot Tub Closed a Memphis School

*Tennessee Government Finance Officers Association  
Fall Conference  
September 28, 2023*



Christy N. Tennant,  
CPA, CFE, CGFM  
Division of  
Investigations,  
Deputy Director



# DISCLAIMERS

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This presentation represents the opinions of the presenter only.

The materials presented herein do not necessarily reflect the opinions of the State of Tennessee or any part thereof.

This presentation is not a reflection of all charter schools and will be discussed for educational purposes only



# Objectives

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- ◆ Function of the Comptroller's Office and the Division of Investigations
- ◆ Mandatory statutory duty to timely report fraud, waste, or abuse in public funded agencies
- ◆ Responsibility of entity management and those charged with governance
- ◆ Fraud Case Study – Memphis Academy of Health Sciences
  - Thefts carried out over a period of four and a half years without scrutiny by the MAHS Board of Directors

# Reliance on an Audit

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- ◆ Management and oversight boards often disregard their responsibility for proper governance when they rely on internal and external audits/auditors
- ◆ Does a clean audit give assurance that there is no fraud, waste, or abuse in an entity?



# My Background



# Tennessee Comptroller of the Treasury



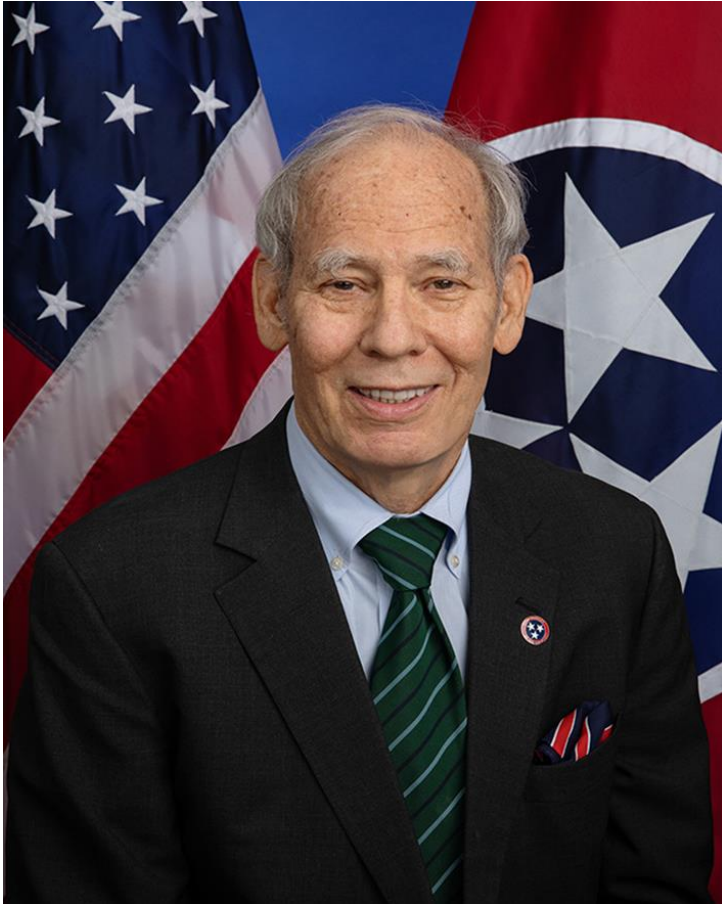
## **Comptroller Jason E. Mumpower**

The Comptroller is elected by the Tennessee General Assembly to serve for a two-year term and serves in the Legislative Branch of state government at the will and pleasure of the General Assembly.



# Comptroller Emeritus Justin P. Wilson

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Comptroller Emeritus  
Wilson previously  
served six terms as  
Tennessee's 34th  
Comptroller from  
January 15, 2009 until  
January 13, 2021.



# Department of Audit

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## COMPTROLLER OF THE TREASURY

**Jason E. Mumpower**  
*Comptroller of the Treasury*

## STATE AUDIT

**Katherine J. Stickel, CPA, CGFM**  
*Director*

## LOCAL GOVERNMENT AUDIT

**Jim Arnette, CISA, CGFM**  
*Director*

## INVESTIGATIONS

**Jeff Puckett**  
*Director*



Tennessee is a leader in government accountability.





# Make Government Work Better

The Tennessee Comptroller of the Treasury has a wide range of responsibilities to ensure fiscal integrity within the State of Tennessee. The Comptroller is essentially the state's Money Cop. We are committed to our mission to **Make Government Work Better.**



Tennessee Property Assessment Data



Find an Audit or Report



Office of Open Records Counsel Inquiry



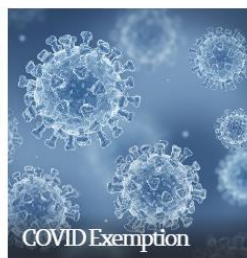
Where the Money Goes



Careers



Investor Updates



COVID Exemption



Report Fraud, Waste, & Abuse





## Division of Investigations

### INVESTIGATIVE TEAMS & JUDICIAL DISTRICTS

425 Rep. John Lewis Way N. • Nashville, TN 37243 • 615.401.7907

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 Christy Tennant  
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#### WEST REGION

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#### MIDDLE REGION

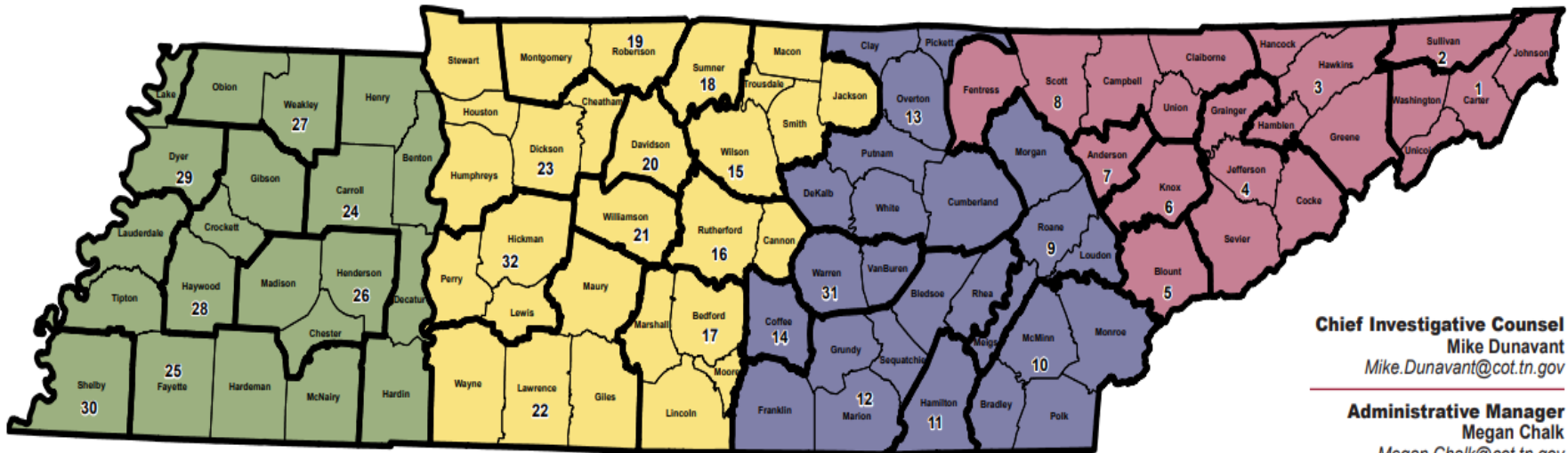
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**Digital Forensics Analyst**  
 Howard Patterson  
 Howard.Patterson@cot.tn.gov

#### ATTORNEYS GENERAL BY DISTRICT

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Effective March 1, 2023



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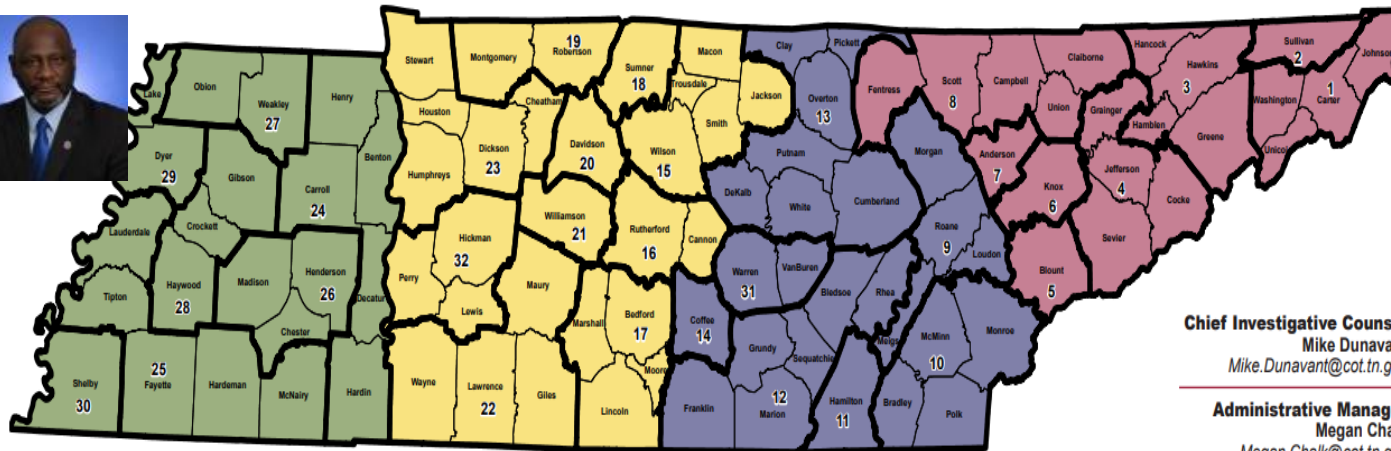
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# Fraud, Waste, & Abuse - Report It



## REPORTING FRAUD, WASTE OR ABUSE

*"Exposing fraud is one of the best ways to prevent fraud."*

– COMPTROLLER JASON E. MUMPOWER

Citizens are encouraged to report fraud, waste or abuse committed by state or local governments or agencies that receive government funds. The report can be anonymous.

**Fraud** - Any intentional act of deception that violates a law or the public trust to obtain an unjust or illegal advantage.

**Waste** - The mismanagement, inappropriate actions, and inadequate oversight that results in taxpayers not receiving reasonable value for money in connection with any government-funded activity.

**Abuse** - Behavior that is deficient or improper when compared with behavior that a prudent person would consider reasonable and necessary given the facts and circumstances.

If a citizen suspects or has knowledge that an agency receiving taxpayer funds is engaging in an activity that is considered to be illegal, improper or wasteful, the citizen should make a report to:

**Comptroller's Fraud, Waste and Abuse Hotline:**

**1.800.232.5454**

<http://comptroller.tn.gov/hotline>



## Fraud, Waste, and Abuse

- > For Citizens
- > For CPA's
- > For Public Officials

[Please click here to be directed to the online reporting form](#)







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# Fraud, Waste, & Abuse - Report It



## Fraud, Waste, and Abuse

- > For Citizens
- > For CPAs
- > For Public Officials

[Please click here to be directed to the online reporting form](#)

Local Government Instances of  
Fraud Reporting Act T.C.A. §  
8-4-501

- ◆ Public officials “with knowledge based upon available information that unlawful conduct has occurred shall report...”



# Fraud, Waste, & Abuse - Report It



## Fraud, Waste, and Abuse

- > For Citizens
- > For CPAs
- > For Public Officials

[Please click here to be directed to the online reporting form](#)

## CPA Contract to Audit – Paragraph 7

- ◆ Any reasonable suspicion of fraud (regardless of materiality) or other unlawful acts...promptly reported in writing...”



# Fraud, Waste, & Abuse - Report It



## Fraud, Waste, and Abuse

- > For Citizens
- > For CPAs
- > For Public Officials

[Please click here to be directed to the online reporting form](#)

T.C.A. §8-4-119 - Required Reports to Comptroller:

- ◆ **State agencies** must report...theft, forgery, credit card fraud or any other intentional act of unlawful or unauthorized taking...





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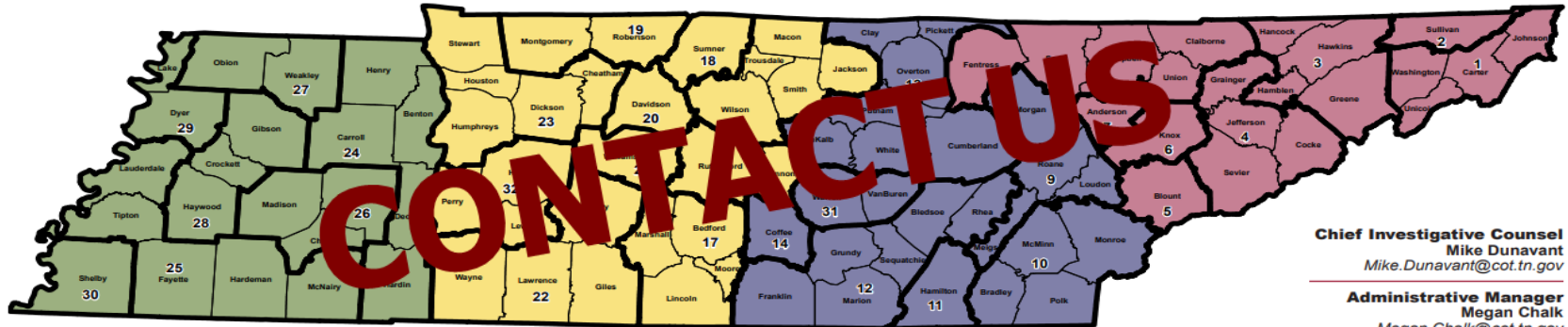
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**IT IS THE STATUTORY RESPONSIBILITY OF THE COMPTROLLER OF THE TREASURY TO REVIEW ALL ALLEGATIONS OF FRAUD, WASTE, OR ABUSE OF PUBLIC FUNDS**



# We Have an Auditor/Audit...

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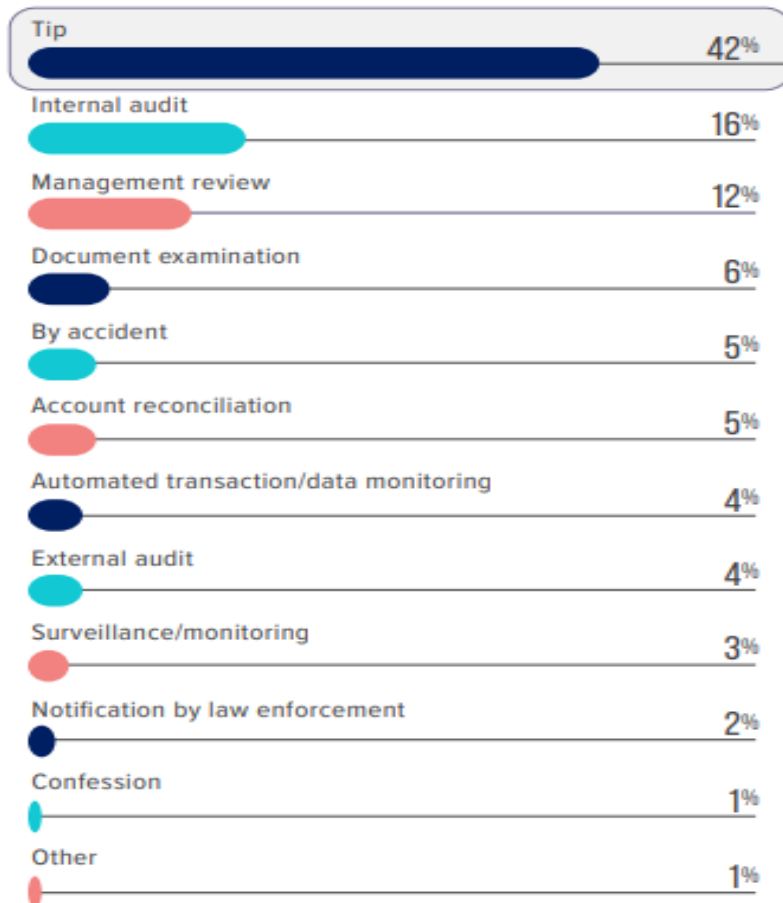
- ◆ A majority of organizations consider their internal and external auditors pivotal for uncovering fraud and minimizing the risk of loss incurred due to fraud.
  - HOWEVER
- ◆ Auditors rarely find fraud.





# We Have an Auditor/Audit...

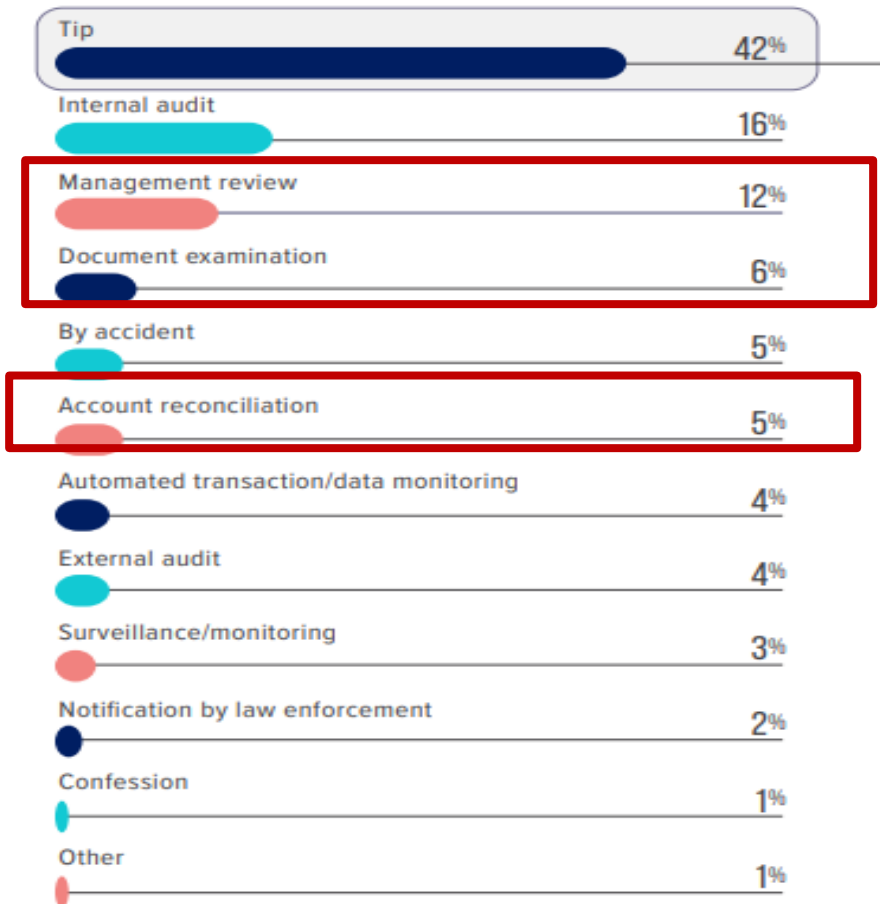
FIG. 10 HOW IS OCCUPATIONAL FRAUD INITIALLY DETECTED?



- ◆ 2022 ACFE's Report to the Nations: Auditors rarely find fraud –
  - Internal Audit 16%
  - External Audit 4%

# We Have an Auditor/Audit...

FIG. 10 HOW IS OCCUPATIONAL FRAUD INITIALLY DETECTED?



◆ 2022 ACFE's Report to the Nations: Auditors rarely find fraud –

- Internal Audit 16%
- External Audit 4%



# Management Responsibility

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- ◆ The primary responsibility for the prevention and detection of fraud rests with both:
  - Those charged with governance of the entity and
  - Management
- ◆ Design and implement adequate accounting and internal control systems to prevent, detect, and mitigate fraud

# Board/Management Failed...

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- ◆ Many of our investigative results can be attributed to management's or an oversight board's failure to ask tough questions, perform due diligence, and establish clear policies and internal controls related to financial activities.

**Deficiency 5: MAHS Board of Directors failed to provide adequate oversight of Johnson's and Williams' time/work schedules**

**Deficiency 1: MAHS Board of Directors failed to provide adequate oversight of school operations**

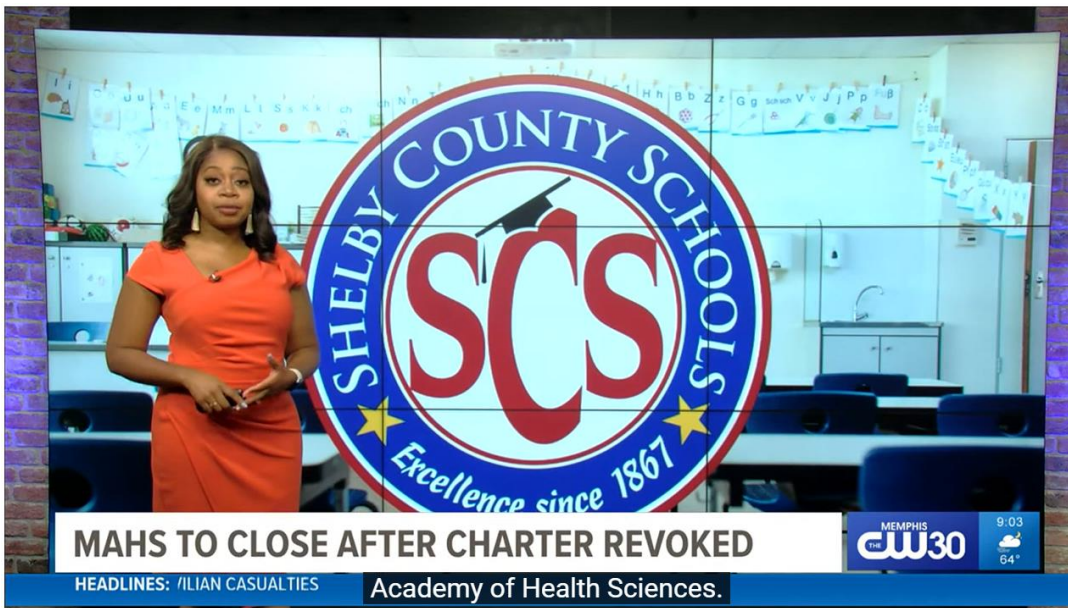
**Deficiency: The TACP Executive Board failed to provide adequate oversight of TACP**

**Deficiency 4: Several school officials failed to report Johnson's suspected unlawful conduct to the state Comptroller of the Treasury**

**Deficiency 3: Officials failed to review accounting adjustments to ensure adequate documentation**



# Fraud Case Study



## MAHS to close at the end of the academic year

“In pain comes beauty also, so there’s no telling what’s going to happen,” said parent Lakisha Morris.



# Memphis Academy of Health Sciences



COMPTROLLER'S INVESTIGATIVE REPORT

Memphis Academy of Health Sciences

December 1, 2021



Jason E. Mumpower  
Comptroller of the Treasury



DIVISION OF INVESTIGATIONS



# Background - MAHS

- ◆ Located in Shelby County
  - Independently operated under the Shelby County School System
- ◆ Opened 2003
- ◆ 2 Campuses:
  - Middle School
  - High School
- ◆ Governing Board of Directors
- ◆ Funded by State, Federal and Private Grant Funds



# Charter Schools

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- ◆ Independent, Accountable, Public Schools of Choice
- ◆ Control:
  - Curriculum
  - Staffing
  - Organization
  - Budget
- ◆ Students apply to attend free of charge
- ◆ Aim to maximize student potential and exceed TN academic standards

# Notifications

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- December 14, 2018 – Comptroller’s Office received allegations via online reporting form
  - School official alleged:
    - School monies used to pay child support, fix executive director’s car, for personal trips, paid for executive director’s son’s graduation party
    - During Fall 2017 – Spring 2018

# Subjects

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## ◆ Corey Johnson, Executive Director

- Appointed Interim Executive Director, July 2015
- Prior to July 2015 served as Chairman of the Board
- Appointed by board as Executive Director July 1, 2016 – June 30, 2018
- Contract renewed July 1, 2018 – June 30, 2020
  - ◆ Added discretionary expenses not to exceed \$25,000
    - Vehicle, travel, fuel, communications
- Responsible for day-to-day operations, administrative oversight and reporting to board of directors



# Subjects

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## ◆ Robert Williams, Finance Director

- Long time employee of MAHS 2008-2016, various functions with finance department including Contract Financial Analyst
- Appointed by board as Director of Finance July 1, 2015
- Reports to Executive Director

# Subjects

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- ◆ Michael Jones, Director of Nutritional Services
  - Appointed by board July 1, 2016
  - Reports to Executive Director

# Analysis

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- ◆ July 1, 2015, through February 28, 2021
- ◆ Review of School Records:
  - Personnel Files
  - Employee Handbook
  - Employee Contracts
  - Accounting Records
  - Bank Statements
  - Invoices
  - Payroll Records

# Analysis – Renasant Bank

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## ◆ Bank Records

- 3 Bank Accounts
  - ◆ Operating Checking Accounts
    - High School
    - Middle School
  - ◆ Philanthropy Account

## ◆ February 2017

- Johnson obtained a debit card bearing his name and the name of the school

# Analysis – Commercial Bank & Trust

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## ◆ Bank Records

### ■ 2 Bank Accounts

#### ◆ Operating Checking Accounts

- High School
- Middle School



# Johnson Misappropriated School Funds Totaling at least \$337,955.13

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- ◆ Disbursements from MAHS bank accounts
  - \$253,863.33
- ◆ Received improper payroll payments
  - \$84,091.80

# Analysis February 2017 – December 2019

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- ◆ Johnson made personal purchases from HS and MS accounts:
  - Auto Repairs
  - Online Payments of Child Support
  - Airline, Hotel, and Restaurant for Vacations
    - ◆ Including alcohol
  - Ticketmaster
    - ◆ Steelers vs. Saints
  - Graduation Party and Senior Photos
  - Divorce
  - Hot Tub
  - Lease of Piano
  - Checks
    - ◆ Himself
    - ◆ His Church
    - ◆ 100 Black Men of America

# Analysis February 2017 – December 2019

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- ◆ Johnson linked MAHS Philanthropy account to his personal PayPal Account
  - Transactions solely completed by Johnson
  - Various personal transaction using PayPal account
    - ◆ Be Getting Fit Nutrition Club \$900
    - ◆ Shari's Berries \$217.31
    - ◆ American Airlines \$633.90
    - ◆ Multiple Uber Technologies
    - ◆ Multiple iTunes and App Store

# Summary of Bank Account

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Misappropriations by Bank Accounts		Amount	Total
<b>Renasant Bank</b>	High School Account	\$ 152,365.00	\$ 221,487.15
	Middle School Account	59,065.45	
	Philanthropy Account	10,056.70	
<b>Commercial Bank and Trust Company</b>	High School Account	5,000.00	32,376.18
	Middle School Account	27,376.18	
<b>Total</b>			<b>\$ 253,863.33</b>

Misappropriations by Type of Spending	# of Transactions	Amount
Lodging and Travel Expenses	97	\$ 45,562.62
Entertainment	15	44,210.45
Unauthorized Cash Withdrawals/Wire Transfers	11	22,118.98
Child Support Payments	18	19,621.00
Purchases at Retail Stores	60	18,119.28
Phone/Internet Services	25	8,697.78
Restaurant Charges for Food and Alcohol	44	6,862.36
Fuel Purchases	69	4,306.86
Medical and Veterinary Care Charges	4	1,869.58
Various Services and Other Personal-Related Charges	219	82,494.42
<b>Total</b>	<b>562</b>	<b>\$ 253,863.33</b>



Johnson used the MAHS debit card to purchase a hot tub located at his personal residence for \$5,108.98

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# Other Purchases for Personal Benefit

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## ◆ Lodging and Travel

- Las Vegas, Florida, New Orleans

## ◆ Entertainment

- Season Tickets Memphis Grizzlies

## ◆ Food and Alcohol

- Love Lounge, Outback Steakhouse, Red Fish, Blue Monkey

## ◆ Veterinary Care

## ◆ Personal Services

- Barbershop, massages, cleaning and plumbing, piano rental



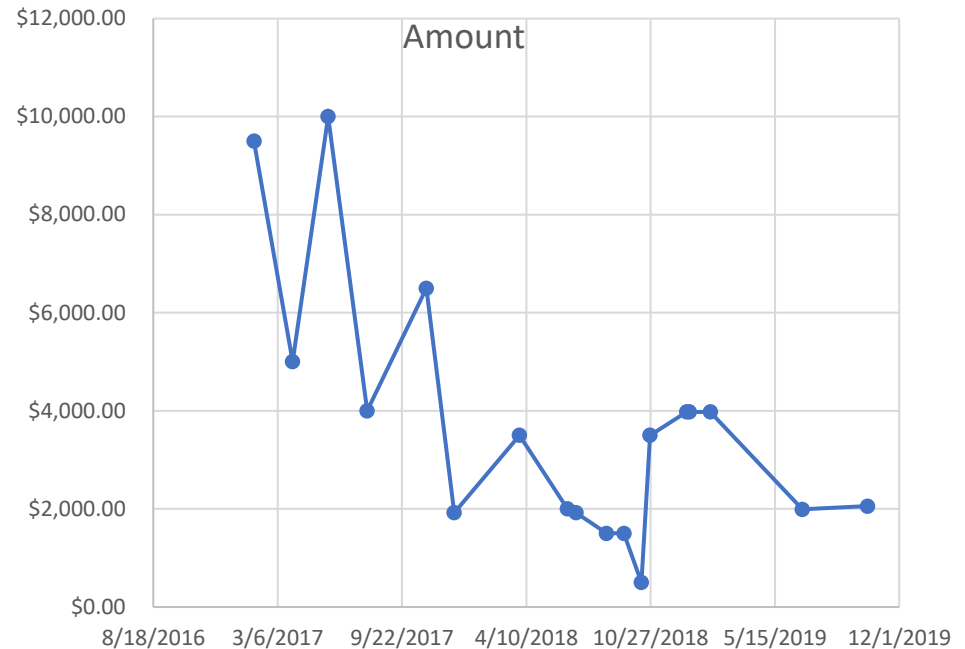
# Improper Payroll Payments

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- ◆ Johnson self-approved stipend and bonus payments  
\$84,091.80
  - No board approval
  - No documentation
  - Duplicate payments

# Stipends and Bonuses

Bonus/Stipend Payments	Date Paid	Amount
1	1/27/2017	\$ 9,500.00
2	3/30/2017	5,000.00
3	5/26/2017	10,000.00
4	7/28/2017	4,000.00
5	10/31/2017	6,500.00
6	12/15/2017	1,920.00
7	3/30/2018	3,500.00
8	6/15/2018	2,000.00
9	6/29/2018	1,920.00
10	8/17/2018	1,500.00
11	9/14/2018	1,500.00
12	10/12/2018	500.00
13	10/26/2018	3,500.00
14	12/24/2018	3,978.00
15	12/28/2018	3,978.00
16	1/31/2019	3,978.00
17	6/28/2019	1,989.19
18	10/11/2019	2,054.25
<b>Total</b>		<b>\$ 67,317.44</b>



# Summary of Improper Payroll

Type of Payments	Description of Transactions	Amount
<b>Stipends and Bonuses</b>	18 different payments ranging from \$500 through \$10,000 (Refer to <b>Exhibit 5</b> ).	\$ 67,317.44
<b>*Duplicate Salary Payments</b>	\$4,083.33 paid on November 13, 2015, and November 27, 2015, respectively.	8,166.66
<b>Additional Salary Payment</b>	\$3,200 paid on June 30, 2017.	3,200.00
<b>Salary Received Above the Contract Salary</b>	\$3,750 paid during fiscal year 2018; \$1,657.70 paid during fiscal year 2020.	5,407.70
<b>Total</b>		<b>\$ 84,091.80</b>



# Corey Johnson, Executive Director

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- ◆ Johnson's employment was terminated by the board on December 3, 2019

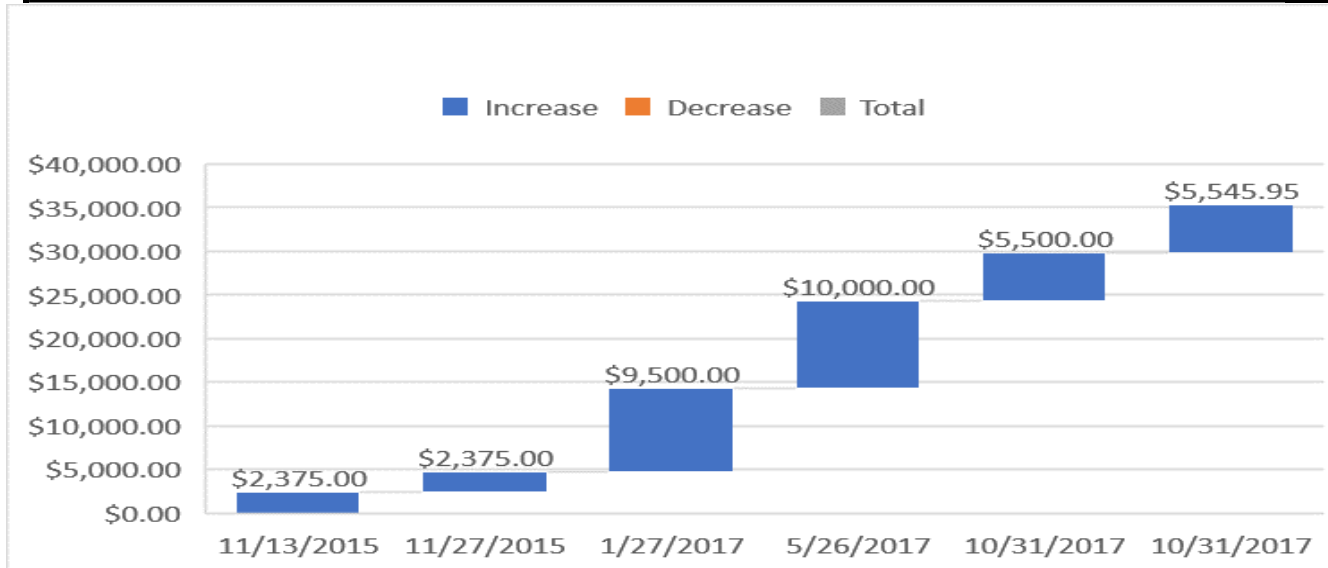
# Williams Received Improper Payroll Payments Totaling at least \$35,295.95

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- ◆ November 2015 – October 2017
  - Duplicate salary payments
  - Excessive stipends
  - Questionable buy-back vacation payment
  - Approved by Executive Director Johnson without board approval

# Williams Summary of Improper Payroll Payments

Improper Payments	Date Paid	Amount	Total
<b>*Duplicate Salary</b>	11/13/2015	\$2,375.00	\$ 4,750.00
	11/27/2015	2,375.00	
<b>Excessive Stipends</b>	1/27/2017	9,500.00	25,000.00
	5/26/2017	10,000.00	
	10/31/2017	5,500.00	
<b>Vacation Buy-Back</b>	10/31/2017	5,545.95	5,545.95
<b>Total</b>			<b>\$ 35,295.95</b>



# Robert Williams, Finance Director

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- ◆ William's employment was terminated by the board on February 12, 2021

# Jones Misappropriated School Funds Totaling at least \$25,114.19

- ◆ Unauthorized food purchases for personal
  - \$21,586.05
- ◆ Repair Services on non-school vehicles
  - \$3,528.14

Misappropriations	Total
A. Unauthorized Food Purchases	\$ 21,586.05
B. Unauthorized Repairs on Non-School Vehicles	3,528.14
<b>Total</b>	<b>\$ 25,114.19</b>

# Unauthorized Food Purchases

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- ◆ U.S. Foods – MAHS authorized food vendor
- ◆ Jones made food purchases and removed the food from MAHS
- ◆ Invoices paid by MAHS Finance Department

# Unauthorized Food Purchases

LOBSTER, AMER CNDN 5-6 Z TL IN	HB-D	10 LB			CS	\$253.4000	\$253.40
CRAB, SNOW CLSTR 8+ Z IN SHL	PACKER	30 LB			CS	\$347.7600	\$347.76

SHRIMP, RAW 26-30 WHT P&D T/ON	ASIAN GOLD	5/2 LB			CS	\$60.6700	\$121.34
BEEF, GRND 100% PURE 90/10 MED	ROCHESTER	4/5 LB			CS	\$76.2900	\$76.29
BEEF, STK RIBEY RL 1112 BNLS	CTLMN SLCT	28/6 OZ			CS	\$67.8300	\$135.66

PORK, RIB BABY BACK 2.25 LB UP CS: 1 54.10 lbs	SWIFT PORK	6/3/2.25 LB+		54.10	LB	\$3.0600	\$165.55
SALMON, ATLNTC 8 Z PBO SKON	HARBOR BNK	10 LB			CS	\$85.6600	\$85.66

SHRIMP, RAW 26-30 WHT P&D T/ON	ASIAN GOLD	5/2 LB			CS	\$51.1400	\$51.14
CRAB, SNOW CLSTR 8+ Z IN SHL	PACKER	30 LB			CS	\$334.3200	\$334.32
CATFISH, 5-7 Z FIL BND DEEP	HARBOR BNK	15 LB			CS	\$72.6300	\$72.63
BEEF, STK RIBEY RL 1112 BNLS	CTLMN SLCT	28/6 OZ			CS	\$71.8000	\$71.80



# Repair Services

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- ◆ Jones submitted an invoice for repairs to his personal vehicle
  - \$1,300
- ◆ Jones submitted an invoice for repairs to a MAHS employee's vehicle
  - \$2,228.14
- ◆ Invoices paid by MAHS Finance Department
  - ◆ 3 vehicles in Nutrition Department
  - ◆ Jones altered certain information on the invoices



**BRIAN MASSEY AUTOMOTIVE**

5332 PLEASANT VIEW ROAD  
Memphis, TN. 38134  
Phone: 901-937-1255 Fax: 901-507-0084

**INVOICE**

**350**

**Invoice from History**

Work Completed : 10/04/2018 Date: 10/04/2019

**MAHS - Michael Jones**

3608 Hawkins Mills  
Memphis, TN 38128  
Office 901-213-4123 -- Cellular 901-674-1614

2010 Ford - Fusion SE - 2.5L, In-Line4 (152CI) VIN(A)  
Lic # : Odometer In : 151207  
Odometer Out : 151207  
VIN # : 3FAHP0HA7 AR166728

Part Description / Number	Qty	Sale	Ext	Labor Description	Hours	Ext
TRANSMISSION ASSEMBLY AT9682.5L	0.00	0.00	n/c	REPLACE TRANSMISSION ASSEMBLY R/R AND REPLACE TRANSMISSION ASSEMBLY		nc

**AUTOMOTIVE DESIGN**

5332 PLEASANT VIEW ROAD  
Memphis, TN. 38134  
Phone: 901-937-1255 Fax: 901-507-0084

**INVOICE**

**350**

Date: 10/04/2018

**INVOICE**

**MAHS**

2010 Ford In-Line4 (152CI) VIN(A)  
Lic #: PICK-UP Odometer In : 151207

VIN # : 3FAHP0HA7

Part Description / Number	Qty	Sale	Ext	Labor Description	Hours	Ext
TRANSMISSION ASSEMBLY AT9682.5L	1.00	650.00	650.00	REPLACE TRANSMISSION ASSEMBLY R/R AND REPLACE TRANSMISSION ASSEMBLY	10.00	650.00



**BRIAN MASSEY AUTOMOTIVE**  
 5332 PLEASANT VIEW ROAD  
 Memphis, TN. 38134  
 Phone: 901-937-1255 Fax: 901-507-0084

**INVOICE**

**330**

**INVOICE**

**Lawson, Marlon**  
 1956 Bonnie Dr #5  
 Memphis, TN 38116

*CHANGED TO BILL MAHS*

2011 Chevrolet - Impala LS - 3.5L, V6 (213CI) VIN(K)  
 Lic #: S8399E

Date: 06/18/2019

Odometer In : 191441  
 Odometer Out : 191441

VIN # : 2G1WF5EK8 B1142032

Part Description / Number	Qty	Sale	Ext	Labor Description	Hours	Ext
TRANSMISSION 65097	1.00	985.00	985.00	Check transmission customer said has to shift from low gear up to regular drive then car operates ok REPLACED TRANSMISSION ASSEMBLY	10.00	850.00
AT FILTER KIT FK190	1.00	32.19	32.19			
ENGINE MOUNT B2987	1.00	56.80	56.80			
AXLE ASSEMBLY MP1250	1.00	108.43	108.43			
AUTO. TRANS. FLUID MAXLIFE	14.00	13.98	195.72			

**BRIAN MASSEY AUTOMOTIVE**  
 5332 PLEASANT VIEW ROAD  
 Memphis, TN. 38134  
 Phone: 901-937-1255 Fax: 901-507-0084

**INVOICE**

**330**

**INVOICE**

**MAHS - Michael Jones**  
 3608 Hawkins Mills  
 Memphis, TN 38128  
 Office 901-213-4123 -- Cellular 901-674-1614

Work Completed : 06/18/2019 Date: 06/21/2019

2011 Chevrolet - 3.5L, V6 (213CI) VIN(K)  
 Lic #: S8399E  
 Odometer In : 191441  
 Odometer Out : 191441

Part Description / Number	Qty	Sale	Ext	Labor Description	Hours	Ext
TRANSMISSION 65097	1.00	985.00	985.00	Check transmission customer said has to shift from low gear up to regular drive then car operates ok REPLACED TRANSMISSION ASSEMBLY	10.00	850.00
AT FILTER KIT FK190	1.00	32.19	32.19			
ENGINE MOUNT B2987	1.00	56.80	56.80			
AXLE ASSEMBLY MP1250	1.00	108.43	108.43			
AUTO. TRANS. FLUID MAXLIFE	14.00	13.98	195.72			

# Michael Jones, Nutritional Services Director

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- ◆ Jones' employment was terminated by the board on September 28, 2020

# Summary of Misappropriations by the Three Former Directors

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Misappropriations	Total
Former Executive Director Corey Johnson ( <b>Finding 1</b> )	\$ 337,955.13
Former Finance Director Robert Williams ( <b>Finding 2</b> )	35,295.95
Former Nutritional Services Director Michael Jones ( <b>Finding 3</b> )	25,114.19
<b>Total</b>	<b>\$ 398,365.27</b>

# Questionable Disbursements

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## ◆ Williams Payroll Payments

■ \$360,350.94

- ◆ Williams did not maintain time records
- ◆ No employment contracts for FY 2016, 2018, and 2020

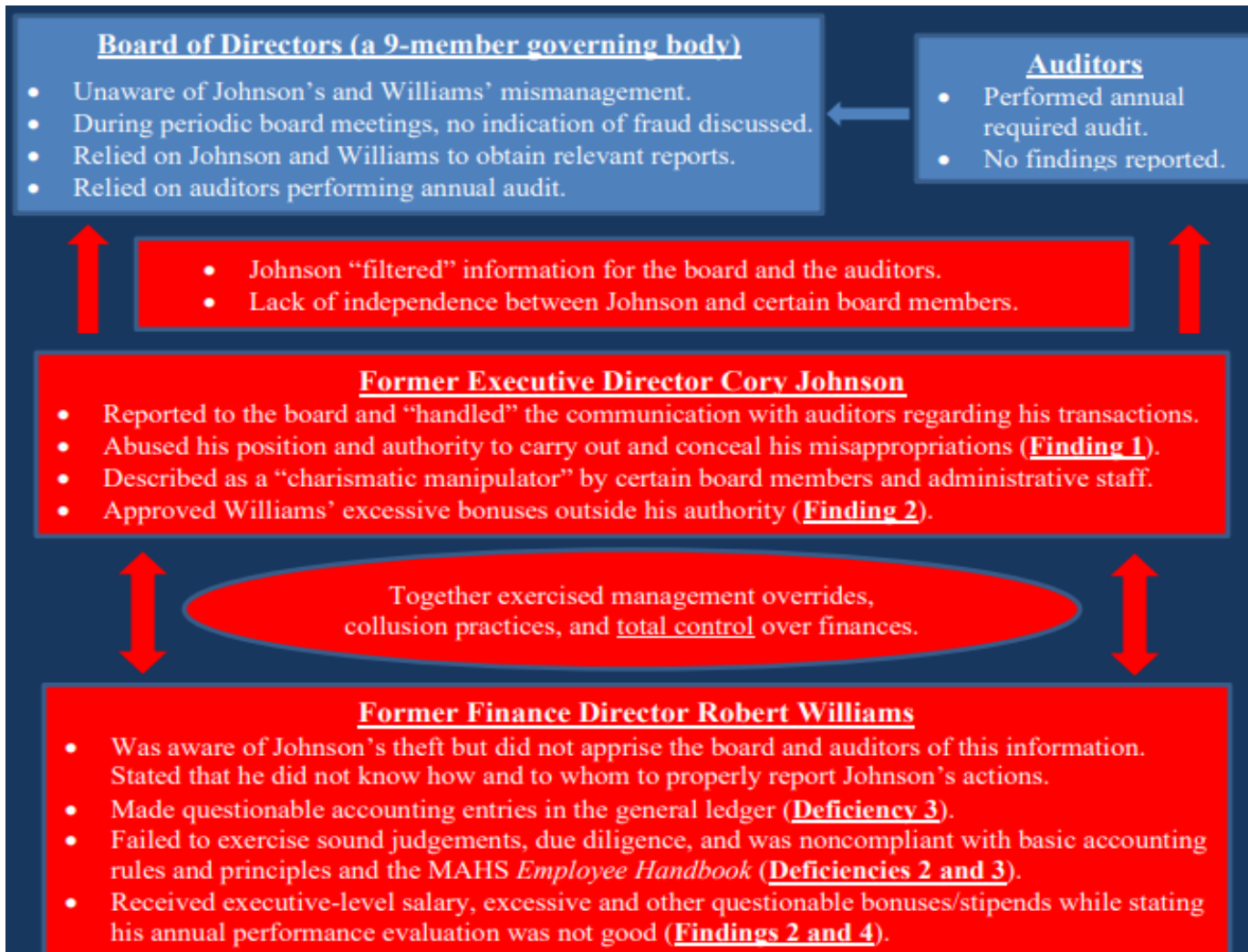
## ◆ Johnson Disbursements

■ \$40,170.51

- ◆ Payments made to or on behalf for the 100 Black Men civic organization

No board approval or documentation

# Board Failed to Provide Adequate Oversight





# Board Failed to Provide Adequate Oversight

## Board of Directors (a 9-member governing body)

- Unaware of Johnson's and Williams' mismanagement.
- During periodic board meetings, no indication of fraud discussed.
- Relied on Johnson and Williams to obtain relevant reports.
- Relied on auditors performing annual audit.

## Auditors

- Performed annual required audit.
- No findings reported.

- Johnson "filtered" information for the board and the auditors.
- Lack of independence between Johnson and certain board members.

## Former Executive Director Cory Johnson

- Reported to the board and "handled" the communication with auditors regarding his transactions.
- Abused his position and authority to carry out and conceal his misappropriations (**Finding 1**).
- Described as a "charismatic manipulator" by certain board members and administrative staff.
- Approved Williams' excessive bonuses outside his authority (**Finding 2**).

# Audit Reports

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## ◆ High School

- 2014 - 2018
- No Findings Reported

## ◆ Middle School

- 2014 - 2018
- No Findings Reported

## FY 2019 and FY 2020 Audit Finding:

The Comptroller's Division of Investigations is currently reviewing certain operations of the Memphis Academy of Health Sciences High School. Findings, if any, resulting from this review will be included in a subsequent report.

# Internal Control Deficiencies

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- ◆ 3 Former Directors did not comply with the employee handbook
- ◆ Williams made questionable accounting entries and maintained questionable accounting records
- ◆ School officials failed to report suspected unlawful conduct
- ◆ MAHS board failed to provide adequate oversight of time/work schedules

# Shelby County Grand Jury Indictments – November 9, 2021

- ◆ **Corey Johnson indicted on**
  - ◆ one count of theft over \$250,000 and one count of theft over \$10,000
- ◆ **Robert Williams indicted on**
  - ◆ one count of theft over \$250,000
- ◆ **Michael Jones indicted on**
  - ◆ one count of theft over \$10,000 and one count of theft over \$2,500



# Closing of a Memphis School

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## ◆ January 2022

- Based on the results of the investigation, Shelby County Schools voted to revoke the MAHS charter and close both the middle and high school campuses at the end of the 2021-2022 school year

# Trends

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<https://www.comptroller.tn.gov/office-functions/investigations.html>



# Mapping TN Comptroller Investigations

TO RESET DATA, UNCLICK ALL OPTIONS YOU HAVE SELECTED

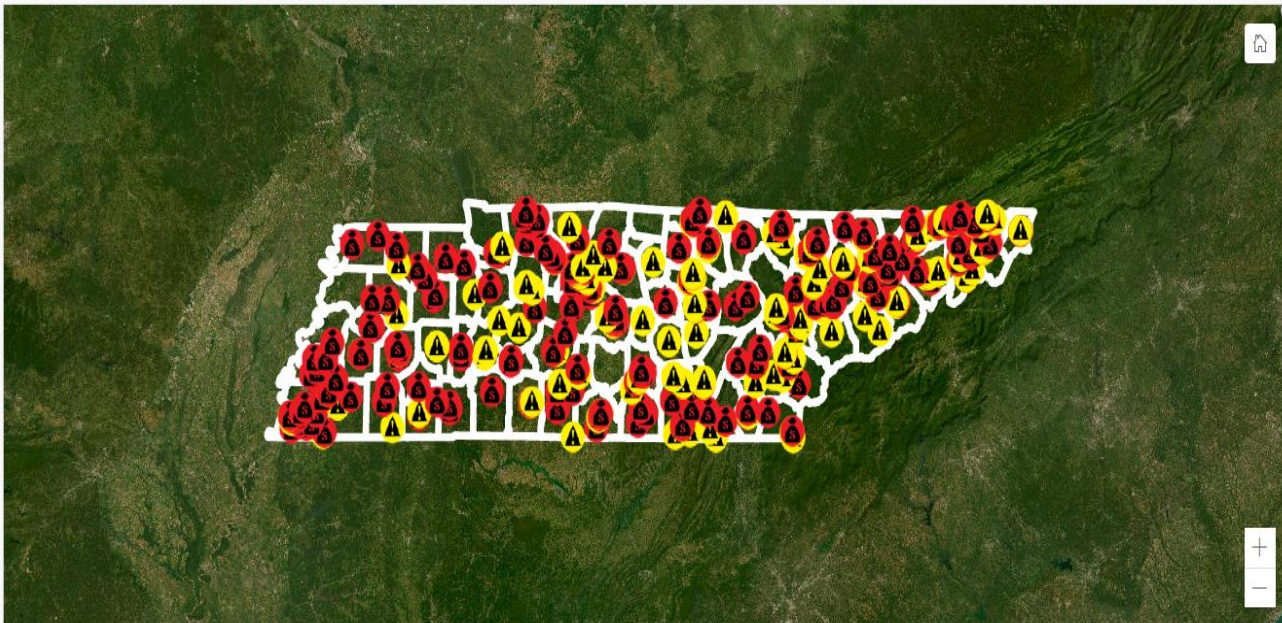
[CLICK HERE TO REPORT FRAUD, WASTE, AND ABUSE](#)

LEGEND

- DEFICIENCIES
- FRAUD

REPORTS RELEASED BY DATE (NEWEST TO OLDEST)

- Entity: Sevier County Central Dispatch E911  
Release Date: 9/15/2023
- Entity: Polk County Circuit Court Clerk  
Release Date: 9/12/2023
- Entity: Montgomery Central Middle School  
Release Date: 9/11/2023
- Entity: McKenzie High School On Deck Club  
Release Date: 9/8/2023
- Entity: Tennessee Technological



Earthstar Geographics | Investigations 8/21/19

Powered by Esri

TOTAL FRAUD, WASTE, AND ABUSE



# OF REPORTS RELEASED

384

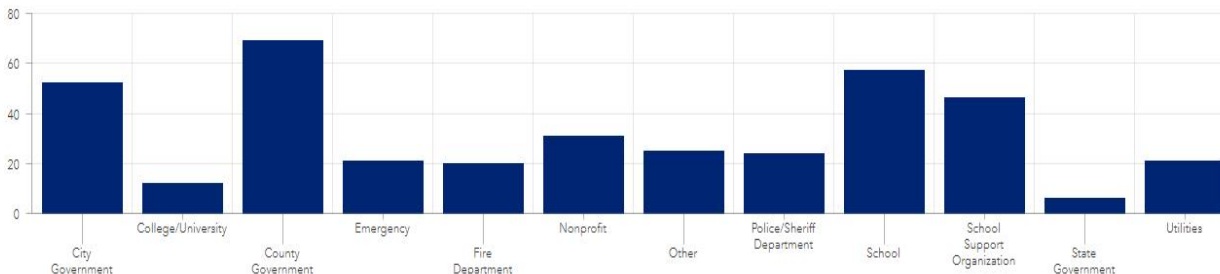
# OF SUBJECTS

243

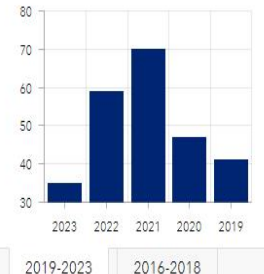
# OF CRIMINAL CHARGES

1,327

CLICK ON ENTITY TYPE FOR REPORTS BY TYPE



CLICK ON YEAR FOR REPORTS BY YEAR



2019-2023 2016-2018



# Summary

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- ◆ Report Fraud, Waste, and Abuse
- ◆ Auditors Rarely Find Fraud
- ◆ Fraud Prevention is the Mutual Responsibility of Oversight Boards and Entity Management

[Christy.Tennant@cot.tn.gov](mailto:Christy.Tennant@cot.tn.gov)

615-762-7610

