



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Deputy Comptroller

To: Tennessee Public School Administrators
From: Director Jeff Puckett, Division of Investigations, Tennessee Comptroller of the Treasury
Date: May 14, 2020
Re: Memorandum to School Administrators Regarding School Support Organization Oversight During COVID-19

School Support Organizations (SSOs), including athletic booster clubs, PTOs, PTAs, and other similar organizations, serve a vital role by providing financial support to further educational opportunities for children in this state. With the School Support Organization Financial Accountability Act, the Tennessee General Assembly created safeguards to ensure fiscal accountability of SSOs, including granting the Comptroller oversight responsibilities. Over the past five years, reports pertaining to fraud in SSOs have accounted for over ten percent of investigative reports released by the Comptroller.

With the potential for increased organizational and financial stress during COVID-19, the Comptroller would like to provide some easy steps for SSO officers to follow in order to help ensure fiscal accountability. Following these steps should reduce the risk of fraud, waste, or abuse of SSO funds, and should help ensure prompt detection of many fraud schemes. *Please note: It is essential that an officer or person other than the individual who normally receives or reviews the bank statements performs these steps.*

- Obtain and review all SSO bank statements and related imaged checks for the year-to-date and each subsequent month (as time passes) and ask these questions:
 - Do the expenses (checks, debit card purchases, cash withdrawals, etc.) appear to be appropriate?
 - If not – what was the purpose? Obtain and review receipts or other documentation.
 - Were all deposits made that were supposed to be made? Were deposits made promptly?
 - If not – why not?

Please distribute this memo to all SSO officers in your district. As an alternative, depending on the level of SSO oversight your system provides, you may wish to incorporate these steps into your oversight processes. For additional guidance related to SSOs, please refer to the recently updated Comptroller’s “Model Financial Policy for School Support Organizations – Procedures Manual” at:

<https://comptroller.tn.gov/content/dam/cot/la/documents/manuals/SSO-MANUAL-2020-UPDATE-FINAL.pdf>.

If you discover any situations that require further follow-up or investigation, do not hesitate to reach out to the Comptroller’s Office Division of Investigations. See the provided map for regional contact information.

If you suspect that fraud, waste, or abuse might have occurred please contact the Comptroller’s Hotline either via phone at 1-800-232-5454 or via the online submission form at:

<https://apps.cot.tn.gov/ANTS/Submission/Submit>.