



METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

November 6, 2018

Dr. Shawn Joseph
Metro Nashville Public Schools
Director

Dear Dr. Joseph,

METRO NASHVILLE PUBLIC SCHOOLS HOTLINE VARIOUS ALERTS APRIL & MAY 2018

Source of Allegations

Between April 14, 2018, and May 15, 2018, the Metropolitan Nashville Office of Internal Audit received hotline alerts related to a variety of matters involving Metro Nashville Public Schools.

Purpose of Investigation

This is an internal investigation report and should not be considered an audit report. Generally accepted government auditing standards were not used in the preparation of this report.

We conduct investigations and create reports using the Standards of the Association of Certified Fraud Examiners as a guide.

The Metropolitan Nashville Office of Internal Audit conducts internal investigations of potential violation of governance policies established for the Metropolitan Nashville Government or investigations of potential fraud, waste, and abuse. Investigation requests are received from the management of the Metropolitan Nashville Government or tips received from the Metropolitan Nashville Government fraud, waste, and abuse hotline.

Any findings or observations of potential fraud and other criminal acts would be referred to the 20th Judicial District Attorney Office, Metropolitan Nashville Police Department, or other appropriate agency. Any findings related to employee misconduct, waste, abuse; as well as process inefficiencies and deficient internal controls would be forwarded to the management of the Metropolitan Nashville Government for corrective action.

The standard of “preponderance of the evidence” is used as a basis for substantiating or not substantiating an allegation. Key definitions used during investigations include:

- Preponderance of Evidence – A certain set of facts “more likely than not” occurred.

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METRO NASHVILLE PUBLIC SCHOOLS HOTLINE VARIOUS ALERTS APRIL & MAY 2018

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- Substantiated – The preponderance of the evidence collected during the investigation indicates that the incident occurred.
- Unsubstantiated - The evidence collected during the investigation indicates there was not a preponderance of the evidence to support the allegation or that the evidence collected during the investigation was conflicting or inconclusive.

The Metropolitan Nashville Office of Internal Audit discovery of evidence is primarily from Metropolitan Nashville Government's personnel testimonial statements, financial and operations records, and information assets (computers, email, mobile phone, and so forth). Personal private information assets and financial and operations records will be reviewed when voluntarily provided by parties involved in an investigation or contractual audit clauses facilitate such reviews.

The purpose of this investigation is to determine if there were any matters of improper use of public resources by Metro Nashville Public Schools that would require management action or referred to other appropriate agencies.

Allegations

1. Dr. Darwin Mason manipulatively and maliciously did not follow Metro Nashville Public School's procurement policies and made purchases that were not timely used.
2. Management of Maplewood High School engaged in money laundering, and theft from teachers and customers using the Firestone Auto Garage, and students were not able to attend core English and Math classes because they were needed to work in the Firestone Auto Garage.
3. Dr. Megan Cusson-Lark used proceeds from selling tables/booths at the fall 2017 college fair to purchase and distribute The Salon Professional Academy beauty spa gift certificates to counselors against Metro Nashville Public Schools' policy.
4. There was an unfair and unethical process of awarding the 50 percent tuition scholarship to the 15 Metro Nashville Public Schools employees enrolled in the Trevecca Nazarene University Ed S to Ed D program.
5. Dr. Tony Majors, Metro Nashville Public Schools, Executive Officer for Student Services, attended a faith-based conference in Boston at the expense of tax-payers. The caller believes tax-payer money should not pay for a faith-based conference since the Metro Nashville Public Schools is considered a secular school system.
6. Dr. Keiva Wiley mismanaged and mishandled money; that she did not follow/ignored purchasing procedures and was fired as a result; that she continued to receive a salary after she was terminated from employment and was not living in Tennessee.

Summary and Outcome of Investigation

After performing an investigation of the above-listed allegations, and using the preponderance of evidence standard as a basis, the Office of Internal Audit believes:

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1. Dr. Darwin Mason did request technology that was not put into service timely. However, the allegation that this action was manipulative and with malice is **unsubstantiated**.
2. The allegation that management of Maplewood High School engaged in money laundering, and theft from teachers and customers using the Firestone Auto Garage, and students were not able to attend core English and Math classes, because they were needed to work in the Firestone Auto Garage, is **unsubstantiated**.
3. The allegation that Dr. Megan Cusson-Lark used proceeds from selling tables/booths at the fall 2017 college fair was used to purchase and distribute The Salon Professional Academy beauty spa gift certificates to counselors against Metro Nashville Public Schools' policy is **unsubstantiated**.
4. The allegation that there was an unfair and unethical process of awarding the 50 percent tuition scholarship to the 15 Metro Nashville Public Schools employees enrolled in the Trevecca Nazarene University Ed S to Ed D program is **unsubstantiated**.
5. The allegation that Tony Majors attended a faith-based conference paid for by tax-payers is **unsubstantiated**.
6. The allegations that Dr. Keiva Wiley mismanaged and mishandled money; that she did not follow/ignored purchasing procedures and was fired as a result; that she continued to receive a salary after she was fired and was not even in Tennessee are **unsubstantiated**.

Recommendations

1. Management should better plan technology purchases by including the participation of knowledgeable information technology personnel to advise on all requirements for placing technology and similar purchase in-service as soon as possible.
2. Management of Maplewood High School Automotive Training Center should continue to work on finalizing written procedures surrounding the processing of work orders and receiving payments to help guide students and staff with processing auto repair activities within the auto garage. In the absence of a fully functional point of sale system processing of work orders and receipt of payments should be segregated between the workshop instructor and bookkeeper.

When possible a point of sale system should include: 1) houses work orders approved by customers, 2) will receive payments against approved work-orders, and 3) has a daily close-out activity report with sub-totals for parts and donations received, and should provide a control total for the bookkeeper and principal.

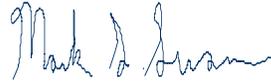
November 6, 2018

METRO NASHVILLE PUBLIC SCHOOLS HOTLINE VARIOUS ALERTS APRIL & MAY 2018

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Work for this request is closed. Please contact me should you have any further questions concerning this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "Mark S. Swann". The signature is fluid and cursive, with the first name "Mark" being the most prominent.

Mark S. Swann

Enclosures

cc: Honorable Mayor David Briley
Metropolitan Nashville Board of Public Education
Metropolitan Nashville Audit Committee
Jon Cooper, Director, Department of Law
Theresa Costonis, Attorney, Department of Law

**Office of Internal Audit
Metropolitan Government of
Nashville and Davidson County**



**404 James Robertson Parkway
Suite 190
Post Office Box 196300
Nashville, Tennessee 37219
615-862-6110**

Date: November 6, 2018

To: Mark Swann, Metropolitan Auditor

From: Innocent Dargbey, Senior Internal Auditor

Subject: Metro Nashville Public Schools Hotline Alerts - RFR-06333-Z3K8

Source of Allegation

On April 14, 2018, the Metropolitan Nashville Office of Internal Audit received a hotline alert that Dr. Tony Majors, Metro Nashville Public Schools, Executive Officer for Student Services, traveled to Boston, Massachusetts to attend a faith-based conference in fall 2017 at the expense of the taxpayer. The caller believes that taxpayer money should not pay for a faith-based conference since Metro Nashville Public Schools is considered a secular school system.

Investigator Assigned

Innocent Dargbey, CPA, CMFO

Mark Swann, CPA, CIA, CISA, CMFO (Quality Assurance)

Purpose of Investigation

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The purpose of this investigation is to determine if there were any matters of improper use of public resources by Metro Nashville Public Schools that would require management action or referred to other appropriate agencies.

Allegation

Dr. Tony Majors, Metro Nashville Public Schools, Executive Officer for Student Services, attended a faith-based conference in Boston at the expense of tax-payers. The caller believes tax-payer money should not pay for a faith-based conference since Metro Nashville Public Schools is considered a secular school system.

Summary and Outcome of Investigation

After performing an investigation of the above-listed allegation, and using the preponderance of evidence standard as a basis, the Office of Internal Audit believes the allegation that Tony Majors attended a faith-based conference paid for by tax-payers is **unsubstantiated**.

Background, Allegation, Facts, and Conclusions

Background

Dr. Majors confirmed he attended a conference at Harvard University School of Education in Boston, Massachusetts between October 17, 2017, and October 19, 2017. The title of the conference was *Faith and Education Thought Partners' Convening*. The conference was about how educators can partner with faith-based organizations to establish a bridge between schools and faith by leveraging the strong ties between young people, who are students, have with faith communities. Dr. Majors attended the conference with Mr. Stan Weber, Director, United4Hope, a local organization that coordinates schools and churches.

The Harvard Graduate School of Education's Leadership Institute for Faith and Education (LIFE) internet site states, we believe that schools have the opportunity to leverage the support these institutions provide to enhance, empower, and raise achievement levels of all kinds for children across America. Historically, communities across the country have created the change they want to see locally through reaching across divides and building relationships, programs, and advocacy together and we believe the same is true of faith and educational communities coming together.¹

¹Harvard Graduate School of Education's Leadership Institute for Faith and Education , <<https://scholar.harvard.edu/jennyyoung/home>> , accessed on September 18, 2018.

Allegation

Dr. Tony Majors, Metro Nashville Public Schools, Executive Officer for Student Services, attended a faith-based conference in Boston at the expense of tax-payers. The caller believes tax-payer money should not pay for a faith-based conference since Metro Nashville Public Schools is considered a secular school system.

Facts

1. Dr. Majors Metro Nashville Public Schools hire date was August 26, 1992. His current position is Executive Officer for Student Services and reports to the Chief of Schools.
2. Written evidence received from Harvard University School of Education confirmed that the airfare and hotels expenses for Dr. Majors and Mr. Weber, Director, United4Hope, were paid for by Harvard University.
3. Dr. Majors confirmed his attendance at the Harvard Graduate School of Education's *Faith and Education Thought Partners' Convening* conference between October 17, 2017, and October 19, 2017, (consistent with the caller's period of fall 2017). Dr. Major's indicated that he paid for meals and other transportation from personal funds.
4. An examination of the conference agenda received from Harvard University School of Education confirmed discussions about the 'Intersection of Faith and Education' and how it can be accomplished.
5. Review of the conference attendance record received from Harvard University School of Education showed 24 participants, including Tony Majors, Stan Weber, and six Harvard University School of Education staff.
6. Dr. Shawn Joseph, Metro Nashville Public Schools, Superintendent approved the conference attendance as paid time-off.

Discussion and Analysis

The conference was organized by Harvard Graduate School of Education's Leadership Institute for Faith and Education, a private university, and not by a faith-based organization. The mere reference to the word 'faith' in the conference title and materials does not lead to the conclusion that it was a faith-based conference. Furthermore, several faith-based and community organizations work with Metro Nashville Public Schools to foster interconnections of faith and education.

Conclusion

The allegation that Tony Majors attended a faith-based conference paid for by tax-payers is **unsubstantiated**.

End of Report

**Office of Internal Audit
Metropolitan Government of
Nashville and Davidson County**



**404 James Robertson Parkway
Suite 190
Post Office Box 196300
Nashville, Tennessee 37219
615-862-6110**

Date: November 6, 2018

To: Mark Swann, Metropolitan Auditor

From: Innocent Dargbey, Senior Internal Auditor

Subject: Metro Nashville Public Schools Hotline Alert - RFR-06372-H0Q8

Source of Allegations

On April 17, 2018, the Metropolitan Nashville Office of Internal Audit received a hotline alert that documented a series of allegations against Dr. Darwin Mason, then Principal of Henry Maxwell Elementary within the Metro Nashville Public Schools system. The caller alleged the following were being done manipulatively and with malice:

- Dr. Mason purchased new technology as requested by staff and would not follow through on expenses for them.
- Dr. Mason purchased technology and office equipment that stayed unused for almost a year and in some cases up to three years.

Investigator Assigned

Innocent Dargbey, CPA, CMFO

Mark Swann, CPA, CIA, CISA, CMFO (Quality Assurance)

Purpose of Investigation

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The purpose of this investigation is to determine if there were any matters of improper use of public resources by Metro Nashville Public Schools that would require management action or referred to other appropriate agencies.

Allegations

Dr. Darwin Mason manipulatively and maliciously did not follow Metro Nashville Public School’s procurement policies and made purchases that were not timely used.

Summary and Outcome of Investigation

After performing an investigation of the above-listed allegation, and using the preponderance of evidence standard as a basis, the Office of Internal Audit believes Dr. Darwin Mason did request technology that was not put into service timely. However, the allegation that this action was manipulative and with malice is **unsubstantiated**.

Allegations, Facts, and Conclusions

Allegations

Dr. Darwin Mason manipulative and maliciously did not follow Metro Nashville Public School’s procurement policies and made purchases that were not timely used.

Facts

1. Dr. Mason’s Metro Nashville Public Schools hire date was August 9, 2004. His current position is Executive Principal at John Early Museum Magnet Middle School.
2. Dr. Mason was the Principal at Henry Maxwell Elementary School from August 2014 to June 2018 and reported to Michelle Springer, Southeast Executive Director for School Support and Improvement.
3. Metro Nashville Public Schools has a central purchasing department and a purchasing policy with delegated purchasing authority to school principals.

4. Dr. Mason confirmed his responsibility for the school's budget and purchasing processes and procedures.
5. Dr. Mason specifically referred to a time when the school purchased electronic boards and some Apple iPads, but they realized after the purchases that additional software applications were required to be able to put the boards and iPads into service. Because the school did not have the additional funds, the electronic boards and iPads had to be kept out of service for some time until funds became available to purchase the software applications.
6. Metro Nashville Public School's Inventory Control Department confirmed completion of an annual count of technology inventory for school years 2016-2017 and 2017-2018.

Discussion and Analysis

The testimonial evidence from Dr. Mason about technology purchases validates the caller's allegation that iPads and electronic boards were purchased and kept idle for a while. However, Dr. Mason provided a reason for the items being idle and this reason was in-line with Metro Nashville Government policy that all spending has to be approved via the budgeting process. The software applications were not budgeted for and therefore could not be purchased without additional appropriations.

As it relates to wasteful purchases, Dr. Mason stated that there had not been any wasteful purchases under his administration. He, however, acknowledged that there were instances with lags between certain purchases and when they were actually put into service.

Conclusion

Dr. Mason did request technology that was not put into service timely. However, the allegation that this action was manipulative and with malice is **unsubstantiated**.

Recommendation

Management should better plan technology purchases by including the participation of knowledgeable information technology personnel to advise on all requirements for placing technology and similar purchase in-service as soon as possible.

End of Report

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Date: November 6, 2018

To: Mark Swann, Metropolitan Auditor

From: Innocent Dargbey, Senior Internal Auditor

Subject: Metro Nashville Public Schools Hotline Alerts - RFR-06442-H6H0

Source of Allegation

On April 19, 2018, the Metropolitan Nashville Office of Internal Audit received a hotline alert alleging a corrupt selection process for a 50 percent Metro Nashville Public Schools funded scholarship for 15 Metro Nashville Public Schools employees to pursue an Ed M to Ed D program at Trevecca Nazarene University.

Investigator Assigned

Innocent Dargbey, CPA, CMFO

Mark Swann, CPA, CIA, CISA, CMFO (Quality Assurance)

Purpose of Investigation

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The purpose of this investigation is to determine if there were any matters of improper use of public resources by Metro Nashville Public Schools that would require management action or referred to other appropriate agencies.

Allegation

There was an unfair and unethical process of awarding the 50 percent tuition scholarship to the 15 Metro Nashville Public Schools employees enrolled in the Trevecca Nazarene University Ed S to Ed D program.

Summary and Outcome of Investigation

After performing an investigation of the above-listed allegation, and using the preponderance of evidence standard as a basis, the Office of Internal Audit believes the allegation that there was an unfair and unethical process of awarding the 50 percent tuition scholarship to the 15 Metro Nashville Public Schools employees enrolled in the Trevecca Nazarene University Ed S to Ed D program is **unsubstantiated**.

Background, Allegation, Facts, and Conclusion

Background

The caller submitted all required application information before the first deadline and was admitted to the program but did not receive the 50 percent scholarship. The caller believed an unfair and unethical process existed due to a combination of Metro Nashville Public Schools executives' influence and also an extension of the application deadline by Trevecca Nazarene University School of Education that enabled additional candidates to be considered.

Allegation

There was an unfair and unethical process of awarding the 50 percent tuition scholarship to the 15 Metro Nashville Public Schools employees enrolled in the Trevecca Nazarene University Ed S to Ed D program.

Facts

1. Metro Nashville Public Schools entered into a contract in 2017 with Trevecca Nazarene University to train qualified and selected Metro Nashville Public Schools employees for the award of Ed D degree. Dr. Sito Narcisse, Metro Nashville Public School's Chief of Schools, stated that this was a cohort

program and the funding source was Federal Title 2A grant funds. The initial number of scholarship awards planned was 25; then it was reduced to 20, and finally to 15. Dr. Narcisse stated that this was due to President Trump administration's decision to overhaul federal education spending that ultimately affected Title 2A grant funding.

2. Metro Nashville Public Schools was responsible for 50 percent of the tuition expenses (scholarship) and the student responsible for the other 50 percent.
3. Testimonial evidence provided by the caller and Dr. Narcisse confirmed email communication from Metro Nashville Public Schools was sent to all employees and Metro Nashville Public Schools organized an information session that was attended by the caller.
4. The caller started the application process as an independent applicant (the caller intended to self-finance the program expenses) to enter an earlier cohort. Then the caller heard about the Metro Nashville Public Schools scholarship program via an email invitation from Metro Nashville Public Schools to attend an information session. After attending the session, the caller decided to continue with the application process with the hope of getting the Metro Nashville Public Schools scholarship and begin the program in March 2017 as per the scholarship contract requirements.
5. The caller kept in touch with Trevecca Nazarene University staff throughout the application process and received encouraging news about the application, including admission to the program. This situation led the caller to believe a high chance of getting the scholarship. However, there was nothing in the emails provided by the caller that indicated that the scholarship was awarded; rather one email made it clear that although the caller had been admitted to the program, everything else depended on the final scholarship selection.

The caller did not get the scholarship despite being admitted to the program earlier.

6. Dr. Narcisse and Dr. Merrie Clark, Metro Nashville Public School's Director for Grant Development and Management, confirmed the source and number of scholarship awards and that Metro Nashville Public Schools' executives were not involved in the scholarship selection process.
7. Dr. Merrie Clark confirmed the number of scholarship awards was 15. She also acknowledged that the original number of scholarship awards was reduced to 15 due to the overhaul of federal education funding that affected Title 2A grants.
8. Drs. Johnny Crow and Suzann Harris of Trevecca Nazarene University School of Education confirmed the selection process was performed by the Trevecca Nazarene University Graduate School of Education Admissions Committee alone, with no influence from Metro Nashville Public Schools' executives. Admission was based on the applicant's qualifications, including a review of sample writings, and interviews. The minimum qualification for admission to the Ed S to Ed D program was a Masters degree.
9. Dr. Crow stated Trevecca Nazarene University did not receive from Metro Nashville Public Schools' executives a list of candidates that had to be admitted.

10. Dr. Crow acknowledged the extension of the application deadline which was due to some applicants not being able to obtain references and other documents from out-of-state where they had previously worked.

Discussion and Analysis

The extension of the initial deadline is not uncommon and may have been done by Trevecca Nazarene University to get a broader pool of applicants or to maximize the revenue to be derived from the contract (10 applicants versus 15 applicants).

Finally, the selection process was conducted by the Trevecca Nazarene University admission office after reviewing the qualifications of the applicants. Metro Nashville Public Schools executives and Trevecca Nazarene University confirmed the selection process in their respective testimonial evidence. Also, the caller did not state the 15 Metro Nashville Public Schools scholarship recipients did not have the minimum qualification of a masters degree.

Conclusion

The allegation that there was an unfair and unethical process of awarding the 50 percent tuition scholarship to the 15 Metro Nashville Public Schools employees enrolled in the Trevecca Nazarene University Ed S to Ed D program is **unsubstantiated**.

End of Report

**Office of Internal Audit
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Nashville, Tennessee 37219
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Date: November 6, 2018

To: Mark Swann, Metropolitan Auditor

From: Innocent Dargbey, Senior Internal Auditor

Subject: Metro Nashville Public Schools Hotline Alerts - RFR-06444-D1G9

Source of Allegations

On April 19, 2018, the Metropolitan Nashville Office of Internal Audit received a hotline alert about potential financial mismanagement at Antioch High School and non-compliance with Metro Nashville Public Schools purchasing procedures. Also, the caller alleged Dr. Keiva Wiley continued to receive her salary even after being terminated from employment and was living out-of-state.

Investigator Assigned

Innocent Dargbey, CPA, CMFO

Mark Swann, CPA, CIA, CISA, CMFO (Quality Assurance)

Purpose of Investigation

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The purpose of this investigation is to determine if there were any matters of improper use of public resources by Metro Nashville Public Schools that would require management action or referred to other appropriate agencies.

Allegations

Dr. Keiva Wiley mismanaged and mishandled money; that she did not follow/ignored purchasing procedures and was fired as a result; that she continued to receive a salary after she was terminated from employment and was not living in Tennessee.

Summary and Outcome of Investigation

After performing an investigation of the above-listed allegations, and using the preponderance of evidence standard as a basis, the Office of Internal Audit believes the allegations that Dr. Keiva Wiley mismanaged and mishandled money; that she did not follow/ignored purchasing procedures and was fired as a result; that she continued to receive a salary after she was fired and was not even in Tennessee are **unsubstantiated**.

Allegations, Facts, and Conclusions

Allegations

Dr. Keiva Wiley mismanaged and mishandled money; that she did not follow/ignored purchasing procedures and was fired as a result; that she continued to receive a salary after she was terminated from employment and was not living in Tennessee.

Facts

1. Dr. Keiva Wiley's Metro Nashville Public Schools hire date was July 15, 2016. Her last position was Principal at Antioch High School.
2. Dr. Sito Narcisse, Chief of Metro Schools, and Dr. Adrienne Battle, Community Superintendent, confirmed that Dr. Wiley was the principal at Antioch High School from July 15, 2016, through May 25, 2018. Dr. Narcisse and Dr. Battle both stated that they were not aware of and there were no investigations of financial mismanagement involving Dr. Keiva Wiley.
3. Dr. Narcisse and Dr. Battle confirmed that Dr. Wiley was not fired, but she resigned to take another job in Florida. Dr. Wiley's official notice of her intent to resign as of May 25, 2018, from her position as Executive Principal of Antioch High School was dated February 21, 2018.

4. Testimonial evidence provided by Dr. Narcisse and Dr. Battle and evidence obtained from Metro Nashville Enterprise Business Solutions system confirmed that Dr. Wiley's last day of employment was May 25, 2018, and her last paycheck was on June 15, 2018. The Metro Nashville Public Schools Human Resources system shows Dr. Wiley resigned and is eligible for rehire.
5. The Metropolitan Nashville Government payroll system confirmed that Dr. Wiley's salary paid was as follows:

<u>Period</u>	<u>Amount</u>
July 15, 2016 to December 31, 2016	\$ 44,546
January 1, 2017 to December 31, 2017	112,584
January 1, 2018 to May 25, 2018	47,395

Discussion and Analysis

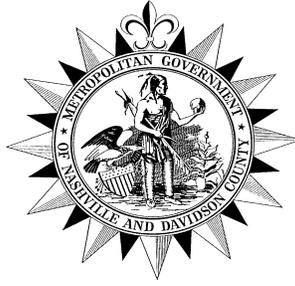
The caller made the allegations without specific information related to financial mismanagement or non-compliance with procurement policies and procedures. Also, the caller did not provide any specific date when Dr. Wiley stopped working. We observed salary paid to Dr. Wiley to be consistent with what other principals within the Metro Schools were paid.

Conclusion

The allegations that Dr. Keiva Wiley mismanaged and mishandled money; that she did not follow/ignored purchasing procedures and was fired as a result; that she continued to receive a salary after she was fired and was not even in Tennessee are **unsubstantiated**.

End of Report

**Office of Internal Audit
Metropolitan Government of
Nashville and Davidson County**



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Date: November 6, 2018

To: Mark Swann, Metropolitan Auditor

From: Innocent Dargbey, Senior Internal Auditor

Subject: Metro Nashville Public Schools Hotline Alerts - RFR-06450-M3W7

Source of Allegations

On April 20, 2018, the Metropolitan Nashville Office of Internal Audit received a hotline alert that management of Maplewood High School engaged in money laundering and theft from teachers and customers using the Firestone Auto Garage, and students were not able to attend core English and Math classes because they were needed to work in the Firestone Auto Garage.

Investigator Assigned

Innocent Dargbey, CPA, CMFO

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We conduct investigations and create reports using the Standards of the Association of Certified Fraud Examiners as a guide. The standard of "preponderance of the evidence" is used as a basis for substantiating or not substantiating an allegation. Key definitions used during investigations include:

- Preponderance of Evidence – A certain set of facts "more likely than not" occurred.
- Substantiated – The preponderance of the evidence collected during the investigation indicates that the incident occurred.

- Unsubstantiated - The evidence collected during the investigation indicates there was not a preponderance of the evidence to support the allegation or that the evidence collected during the investigation was conflicting or inconclusive.

The Metropolitan Nashville Office of Internal Audit discovery of evidence is primarily from Metropolitan Nashville Government's personnel testimonial statements, financial and operations records, and information assets (computers, email, mobile phone, and so forth). Personal private information assets and financial and operations records will be reviewed when voluntarily provided by parties involved in an investigation or contractual audit clauses facilitate such reviews.

The purpose of this investigation is to determine if there were any matters of improper use of public resources by Metro Nashville Public Schools that would require management action or referred to other appropriate agencies.

Allegations

Management of Maplewood High School engaged in money laundering, and theft from teachers and customers using the Firestone Auto Garage, and students were not able to attend core English and Math classes because they were needed to work in the Firestone Auto Garage.

Summary and Outcome of Investigation

After performing an investigation of the above-listed allegations, and using the preponderance of evidence standard as a basis, the Office of Internal Audit believes the allegation that management of Maplewood High School engaged in money laundering, and theft from teachers and customers using the Firestone Auto Garage, and students were not able to attend core English and Math classes, because they were needed to work in the Firestone Auto Garage, is **unsubstantiated**.

Background, Allegations, Facts, and Conclusions

Background

The Automotive Training Center is a joint initiative between Metro Nashville Public Schools and Bridgestone-Firestone and is part of the Academies of Nashville program (also known as The Metro School Career and Technical Education program).

Allegations

Management of Maplewood High School engaged in money laundering, and theft from teachers and customers using the Firestone Auto Garage, and students were not able to attend core English and Math classes because they were needed to work in the Firestone Auto Garage.

Facts

1. Dr. Jones-Mason's Metro Nashville Public Schools hire date was August 6, 2003. Her current position is Executive Principal at Maplewood High School.

Twjuana Williams' Metro Nashville Public Schools hire date was August 6, 2007. Her current position is Teacher at Maplewood Automotive Training Center.

Vannosal Russel's (Jordan) Metro Nashville Public Schools hire date was August 12, 1998. Her current position is Bookkeeper at Maplewood High School.

2. Dr. Jones-Mason became the principal at Maplewood High School starting July 2016, having served as assistant principal before then.
3. Dr. Jones-Mason stated she is not involved in and not aware of any type of money laundering or theft from teachers and customers of the Maplewood Automotive Training Center.
4. Dr. Jones-Mason and Twjuana Williams confirmed that there are no written policies and procedures for operating the Automotive Training Center. A sample of work orders reviewed showed inconsistencies in requesting for customer's signature as acceptance of charges and approval of work.
5. There is no segregation of duties in preparing work orders and receiving payments. Therefore, cash transactions, especially donations in lieu of labor charge, are prone to misappropriation.
6. Vannosal Russel confirmed that documents are generated and reviewed for transactions, and bank accounts are timely reconciled.
7. The February 19, 2018, Metro Nashville Public Schools Internal Audit report identified inconsistencies and/or deficiencies in operational procedures at the Automotive Training Center, but did not report any potential fraud, money laundering, or theft.
8. Mr. Mark Hayes, Maplewood High School history/social studies teacher stated that, about three years ago, three students were absent from his history/social studies classes for a short span because they were working in the Automotive Training Center. He confirmed that this ended soon after a discussion with the students and teacher and he did not consider it a systemic issue.

Discussion and Analysis

The caller made the allegations without a specific description of what constituted money laundering in the Maplewood Automotive Training Center environment or specific incidences of theft.

Our review of Automotive Training Center work orders and Metro Nashville Public Schools' internal audit report did not show incidences of money laundering or theft. However, controls surrounding preparing work orders and receiving payments are non-existent. The garage instructor is the only one responsible for preparing work orders and receiving payments. While the work order is generated by a point-of-sale system, receiving payments is a manual process with no payment going through the point-of-sale system, making it impossible to verify completeness. The workshop instructor accounts for all work-orders and related invoices/payments at the close of business to the bookkeeper or to the principal, in the absence of the bookkeeper.

Conclusion

The allegations that management of Maplewood High School engaged in money laundering, and theft from teachers and customers using the Firestone Auto Garage, and students did not attend core English and Math classes because they were required to work in the Firestone Auto Garage, is **unsubstantiated**.

Recommendation

Management of Maplewood High School Automotive Training Center should continue to work on finalizing written procedures surrounding the processing of work orders and receiving payments to help guide students and staff with processing auto repair activities within the auto garage. In the absence of a fully functional point of sale system processing of work orders and receipt of payments should be segregated between the workshop instructor and bookkeeper.

When possible a point of sale system should include: 1) houses work orders approved by customers, 2) will receive payments against approved work-orders, and 3) has a daily close-out activity report with sub-totals for parts and donations received, and should provide a control total for the bookkeeper and principal.

End of Report

**Office of Internal Audit
Metropolitan Government of
Nashville and Davidson County**



**404 James Robertson Parkway
Suite 190
Post Office Box 196300
Nashville, Tennessee 37219
615-862-6110**

Date: November 6, 2018

To: Mark Swann, Metropolitan Auditor

From: Innocent Dargbey, Senior Internal Auditor

Subject: Metro Nashville Public Schools Hotline Alerts - RFR-06858-L7K4

Source of Allegation

On May 15, 2018, the Metropolitan Nashville Office of Internal Audit received a hotline alert that Dr. Megan Cusson-Lark, then Interim Executive Director of School Counseling Services for Metro Nashville Public Schools used funds generated from a Metro Nashville Public Schools sponsored event to purchase beauty spa gift certificates for about 220 school counselors.

Investigator Assigned

Innocent Dargbey, CPA, CMFO

Mark Swann, CPA, CIA, CISA, CMFO (Quality Assurance)

Purpose of Investigation

The Metropolitan Nashville Office of Internal Audit conducts internal investigations of potential violation of governance policies established for the Metropolitan Nashville Government or investigations of potential fraud, waste, and abuse. Investigation requests are received from the management of the Metropolitan Nashville Government or tips received from the Metropolitan Nashville Government fraud, waste, and abuse hotline.

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The purpose of this investigation is to determine if there were any matters of improper use of public resources by Metro Nashville Public Schools that would require management action or referred to other appropriate agencies.

Allegation

Dr. Megan Cusson-Lark used proceeds from selling tables/booths at the fall 2017 college fair to purchase and distribute The Salon Professional Academy beauty spa gift certificates to counselors against Metro Nashville Public Schools' policy.

Summary and Outcome of Investigation

After performing an investigation of the above-listed allegation, and using the preponderance of evidence standard as a basis, the Office of Internal Audit believes the allegation that Dr. Megan Cusson-Lark used proceeds from selling tables/booths at the fall 2017 college fair to purchase and distribute The Salon Professional Academy beauty spa gift certificates to counselors against Metro Nashville Public Schools' policy is **unsubstantiated**.

Allegation, Facts, and Conclusions

Allegation

Dr. Megan Cusson-Lark used proceeds from selling tables/booths at the fall 2017 college fair to purchase and distribute The Salon Professional Academy beauty spa gift certificates to counselors against Metro Nashville Public Schools' policy.

Facts

1. Dr. Cusson-Lark's Metro Nashville Public Schools hire date was August 10, 2009. Her current position is interim Executive Director of School Counseling Services.
2. Dr. Cusson-Lark confirmed that she led the organization of the fall 2017 Metro Nashville Public School college fair.
3. Dr. Cusson-Lark stated that there are no written policies and procedures for organizing the college fair, but she received verbal instructions and directives about organizing the fair from her predecessor.

4. Dr. Cusson-Lark confirmed that the fair attracted colleges/universities and other employers who paid a fee for tables/booths. The proceeds were reported to Metro Nashville Public Schools' Finance Department which also made payments for renting the Gentry Center at Tennessee State University.
5. Metro Nashville Public Schools Finance Department acknowledged receipt of funds from the fall 2017 fair and the payment to Tennessee State University for the Gentry Center.
6. Dr. Cusson-Lark confirmed receipt of 300 gift certificates for \$20 each from The Salon Professional Academy to be given to school counselors and other participants at the fair.
7. Dr. Cusson-Lark confirmed that she verified with Metro Nashville Public Schools Purchasing Department the suitability of the gift documentation necessary for distribution of the gift certificates.
8. Metro Nashville Public Schools' policy HC 5.110 - *Ethics, Conflict of Interest and Acceptance of Gifts* states: *"The prohibition on soliciting or acceptance of gifts, entertainment favors or gratuities of nominal value does not apply to unsolicited advertising materials of nominal value, including items considered 'giveaways' at professional conferences, such as pens, pads, etc."*
9. Presentation of the gift certificates took place on February 9, 2018, during a school counselor departmental meeting in Turner Hall at Martin Center. The caller alleges that there was not an option not to receive the gift certificates and also they were not required to complete the gift card paperwork that is part of the Metro Nashville Public Schools policies, although she was not sure which specific policy.
10. The caller stated that they were asked not to share the receipt of the gift certificate with the news and were told that the certificates were purchased with money collected from selling tables and booths at the college fair that was held in fall 2017.

Discussion and Analysis

Collections from the sale of tables/booths and expenses related to the College Fair were processed by the Metro Nashville Public School's Finance Department. Also, the gift certificates were received as gifts and distributed freely at no cost to the recipients.

A review of Metro Nashville Public Schools disbursements showed no payments to The Salon Professional Academy or the salon employee referenced.

Furthermore, Dr. Cusson-Lark maintained a sign-in sheet for all who received the certificates and consulted with the Purchasing Services to determine if it was appropriate to distribute the certificates without documentation.

Metro Nashville Public Schools' Policy # HC 5.110 - *Ethics, Conflict of Interest and Acceptance of Gifts* states it is appropriate for employees to receive unsolicited advertising materials of nominal value, including items considered "giveaways" at professional conferences. The gift certificates were free, and the acceptance and distribution of the same did not violate Metro Nashville Public Schools' policies.

Conclusion

The allegation that Dr. Megan Cusson-Lark used proceeds from selling tables/booths at the fall 2017 college fair to purchase and distribute The Salon Professional Academy beauty spa gift certificates to counselors against Metro Nashville Public Schools' policy is **unsubstantiated**.

End of Report