



SHELBY COUNTY BOARD OF COMMISSIONERS

SUITE 600 • 160 N. MAIN STREET • MEMPHIS, TENNESSEE 38103

February 7, 2025

The Honorable Jason E. Mumpower
Comptroller of the Treasury
State of Tennessee
Cordell Hull Building
425 Rep. John Lewis Way N.
Nashville, TN 37243

Dear Comptroller Mumpower,

As bipartisan members of the Shelby County Commission, we are writing to formally request a comprehensive forensic audit of the Memphis-Shelby County Schools (MSCS) system to seek transparency and to gather critical information to help MSCS prevent future fraud and to provide an accurate and unbiased report that will restore its reputation and public confidence. With an annual budget of approximately \$2.2 billion, funded entirely by taxpayers, these public funds must be managed with full transparency and accountability. Roughly \$1.5 billion is directly attributable to Tennessee taxpayers, with the State of Tennessee providing nearly \$1 billion annually and the Shelby County Commission contributing \$427 million annually. The MSCS budget is a major fund in our budget, however the only authority we have is to vote their budget up or down. Our constituents are demanding that the Shelby County Board of Commissioners address their concerns regarding numerous allegations of waste, fraud and abuse. Given this substantial public investment and public outcry, a forensic audit is necessary to ensure transparency and responsible fiscal management.

Recent concerns have surfaced regarding MSCS's financial practices, including reports of improper expenditures, questionable procurement procedures, and a lack of financial oversight. Internal audits have identified vendor overpayments, inadequate contract approvals, and issues related to financial controls. For instance, a district audit revealed overpayments to a lawn care vendor beyond the contract amount without board approval and theft of district-owned equipment. Additionally, compliance challenges have put portions of the district's funding at risk, raising further concerns about the effectiveness of financial oversight mechanisms.

In order to respond to the suspected fraud, waste and abuse, we respectfully request a full forensic audit of MSCS, with a focus on:

1. Financial Management and Expenditures – A thorough review of the district’s accounting practices, budget adherence, and overall financial controls to identify discrepancies or inefficiencies.
2. Procurement and Contracting Procedures – An assessment of how contracts are awarded and managed to ensure compliance with policies, prevent conflicts of interest, and eliminate wasteful spending.
3. Use of Federal, State and Local Funds – A detailed audit of the allocation and expenditure of all public funds to verify compliance with financial regulations to ensure that funding is used effectively.
4. Internal Controls and Compliance – An evaluation of the district’s internal oversight mechanisms to detect and prevent fraud, waste, or abuse of resources.

With the \$2.2 billion in taxpayer funding, MSCS must operate with the highest fiscal responsibility and transparency. A forensic audit will clearly understand the district’s financial operations, restore public confidence, and help guide necessary reforms to ensure that taxpayer dollars are being spent effectively to benefit students and the community.

On Wednesday, February 5, 2025, a resolution was brought forward to fund \$50,000.00 for a forensic audit of MSCS (see attached). We understand and embrace our fiduciary responsibility and are seeking a partner with the same goals to help guide this process expediently.

We appreciate your immediate attention and look forward to your response. Please let us know how we can support this process to ensure a thorough and independent review.

With Warm Regards,

The image shows two handwritten signatures in black ink. The signature on the left is 'Amber Mills' and the signature on the right is 'Edmund H. Ford, Jr.'.

Amber Mills
District 1

Dr. Edmund Ford, Jr.
District 9