



Lawrence F. Alwin, CPA  
State Auditor

A Special Investigations Unit Report Regarding  
**The Texas Education Agency  
Future Business Leaders of America**

August 14, 2002

Members of the Legislative Audit Committee:

An investigation by the State Auditor's Office Special Investigations Unit led to criminal charges against the former State Chairman of Texas Future Business Leaders of America (FBLA). On July 8, 2002, the Travis County Grand Jury indicted Bennie Joe Walker for theft by a public servant in the amount of \$20,000 or more but less than \$100,000. The indictment, a second-degree felony, includes a public servant enhancement because Mr. Walker allegedly appropriated the funds during his employment as the State Chairman for FBLA.

The investigation was prompted by allegations received from the Texas Education Agency's Internal Audit Director that concerned misappropriated and/or stolen funds. The Internal Audit Director provided a copy of a \$13,081.67 cashier's check intended for FBLA that appeared to have been deposited into Mr. Walker's personal checking account, which was labeled "Special."

From March 1998 to May 2001, Mr. Walker acted in a fiduciary capacity as the Texas FBLA State Chairman. A review of the FBLA's and Mr. Walker's financial records revealed that Mr. Walker allegedly cashed and misappropriated \$42,006.55 in checks that were intended for FBLA.

If you have any questions, please contact Pamela Munn, Supervising Investigator, or John Weber, Manager, of the Special Investigations Unit at (512) 936-9500.

Sincerely,

Lawrence F. Alwin, CPA  
State Auditor

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cc: Dr. Felipe Alanis, Commissioner of Education,  
Texas Education Agency  
Mr. Ronald Earle, Travis County District Attorney

**What Is FBLA?**

FBLA is under the Career and Technology Division of the Texas Education Agency. FBLA is a nonprofit educational association composed of students preparing for careers in business. The purpose of FBLA is to provide opportunities for secondary students (grades 7-12) in business to develop vocational and career-supporting competencies and to promote civic and personal responsibilities.

The **Special Investigations Unit** investigates reports of illegal activity involving state agencies and universities.

Texas Government Code, Section 321.022, requires state agencies and universities to report suspected fraud or unlawful conduct to the State Auditor's Office if there are facts that point to fraud or unlawful conduct.

To report suspected illegal activity, call 1-800-TX-AUDIT (1-800-892-8348), send a fax to (512) 936-9400, visit [www.sao.state.tx.us](http://www.sao.state.tx.us), or mail information to the State Auditor's Office, Attn: SIU, P.O. Box 12067, Austin, Texas 78711.

