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# Charter school founder accused of fraud

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The founder of a local charter school has allegedly defrauded the school and Ohio out of more than \$116,000.

State Auditor Mary Taylor detailed the fraud in a report released by the state office Thursday, finding that Joe Singleton, founder of **Main Street Automotive Magnet School**, used school funds to make personal purchases including a golf cart and a private security system.

Taylor said the school's sponsor, **Lucas County Educational Service Center**, suspended Main Street Automotive's operation last summer and closed the school this July.

The school, which had around 125 students, began in 2004 and was located at on Cedar Ridge Road in Dayton.

School officials could not be reached for comment.

The auditor's office has referred its report to local prosecutors and the state Attorney General. No charges have yet been filed, according to the auditor's office.

Taylor also cites Main Street Automotive Magnet School for engaging in an "abusive" business practice.

"I will not tolerate fraud involving public funds and will continue to devote the resources necessary to ensure allegations of fraud are investigated and the perpetrators held accountable," Taylor said in a news release.

The audit indicates that Singleton used his own company, **RJ Investments**, to bill the school \$60,202 for transporting students to and from school facilities. However, Singleton was never licensed by the state to transport students, nor was he able to produce any records proving he ever provided students with transportation, Taylor said.

The report also found:

- \$13,342 deposited into RJ Investments' bank account to pay for a security system and security equipment that was never installed;
- \$9,962 used to pay for the installation of a security system at a warehouse owned by Singleton's mother that is not affiliated with the school; and
- \$5,990 paid to a local car dealership for an EZGO Golf Cart.

According to Taylor, Singleton admitted to creating fake invoices to make many of the purchases outlined in Taylor's report. For example, Singleton created an invoice for the purchase of classroom chairs, computer desks and cafeteria refrigerators then used the check he received from the school to purchase the EZGO Golf Cart for his personal use.

The auditor's report also cites Main Street Automotive for an abusive business practice because the school subleased two rooms for use as an automotive laboratory valued at \$15,570 over a 21-month period. However, the current occupant was already leasing the same space plus an additional room for only \$7,350 during the period. As a result, the school was paying the current occupant more than twice the market rate to sublease classroom space. Furthermore, students never used the space during the entire 21-month lease period.

A copy of the complete audit is available online at [auditor.state.oh.us](http://auditor.state.oh.us).

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