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NEWS RELEASE

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FOR RELEASE

August 28, 2018

Auditor of State Mary Mosiman today released a report on a special investigation of the Woodward-Granger Community School District (District) for the period December 10, 2012 through August 31, 2017. The special investigation was requested by District officials due to concerns identified with certain disbursements issued by the former Business Manager, Melissa Lantz. Ms. Lantz was placed on administrative leave on August 4, 2017 and subsequently resigned from her position on August 10, 2017.

Mosiman reported the special investigation identified \$270,217.17 of improper and unsupported disbursements. The \$265,001.48 of improper disbursements identified includes \$253,093.54 of payroll issued to Ms. Lantz and the District's share of FICA and IPERS related to the improper payroll payments. This amount includes \$216,652.44 for 101 checks Ms. Lantz issued to herself in addition to those for authorized pay periods. The checks were not approved by the Board and ranged from \$315.00 to \$6,500.00. In addition, on 44 occasions Ms. Lantz issued herself an incorrect amount of pay for an authorized pay period. In 27 instances, her gross pay exceeded her authorized gross pay by a total of \$11,262.47. For the remaining 17 instances, her gross pay was \$15,263.72 less than it should have been. The District's share of FICA and IPERS for the unauthorized checks and improper payroll amounts total \$16,267.75 and \$18,989.77, respectively.

Mosiman also reported the improper disbursements identified include \$11,893.94 of health and dental insurance premiums for individuals who left employment with the District and \$14.00 of excess mileage in a reimbursement check issued to Ms. Lantz.

The \$5,215.69 of unsupported disbursements identified consist of overtime costs associated with time reported by Ms. Lantz for which sufficient supporting documentation was not available. Mosiman reported supporting documentation was not available which showed prior approval was granted for the overtime, in accordance with the terms of Ms. Lantz's employment contracts.

Mosiman reported it was not possible to determine if additional payroll amounts were improperly disbursed because timesheets prior to June 15, 2013 were not available. It was also not possible to determine if all collections were properly deposited because sufficient records were not available.

The report includes recommendations to strengthen the District's internal controls and overall operations, such as improving segregation of duties, ensuring all disbursements, including payroll, are properly reviewed and approved and requiring sufficient supporting documentation for all disbursements.

Copies of the report have been filed with the Division of Criminal Investigation, the Dallas County Attorney's Office, and the Attorney General's Office. A copy of the report is available for review on the Auditor of State's web site at <https://www.auditor.iowa.gov/reports/audit-reports/> and in the Office of Auditor of State.

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**REPORT ON SPECIAL INVESTIGATION
OF THE
WOODWARD-GRANGER COMMUNITY SCHOOL DISTRICT
FOR THE PERIOD
DECEMBER 10, 2012 THROUGH AUGUST 31, 2017**

Table of Contents

		<u>Page</u>
Auditor of State's Report		3-4
Investigative Summary:		
Background Information		5-6
Detailed Findings		7-16
Recommended Control Procedures		17-19
Exhibits:	<u>Exhibit</u>	
Summary of Findings	A	21
Improper Salary Payments to Melissa Lantz	B	22-31
Improper Health and Dental Insurance Premiums	C	32-33
Selected Deposits in Melissa Lantz's Personal Bank Account	D	34-37
Staff		38
Appendix:	<u>Appendix</u>	
Copies of Letters Regarding Administrative Leave Notice and Resignation	1	40-41
Copies of Certain Checks	2	42-44
Copy of Approved Work from Home Hours	3	45
Copy of Email Received from Melissa Lantz's Attorney	4	46



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Auditor of State's Report

To the Board of Education of the
Woodward-Granger Community School District:

As a result of concerns regarding certain payroll disbursements and at the request of District officials, we conducted a special investigation of the Woodward-Granger Community School District (District). We have applied certain tests and procedures to selected financial transactions of the District for the period December 10, 2012 through August 31, 2017. Based on discussions with District officials and personnel and a review of relevant information, we performed the following procedures:

- (1) Evaluated internal controls to determine whether adequate policies and procedures were in place and operating effectively.
- (2) Interviewed District officials to gain an understanding of certain procedures and inquire about certain transactions processed by the former Business Manager, Melissa Lantz.
- (3) Reviewed financial reports provided by Ms. Lantz to determine accuracy of information provided to the District's Board.
- (4) Examined images of redeemed checks and withdrawal documents for certain payments issued from the District's checking account and endorsed by Ms. Lantz to determine propriety.
- (5) Examined payments to Ms. Lantz for payroll to determine if they were properly approved, properly supported, and the propriety of the amount and frequency of the payments.
- (6) Compared amounts reported on W-2s issued Ms. Lantz to authorized payroll records to determine accuracy of the wages reported.
- (7) Examined reimbursements to Ms. Lantz to determine if the payments were for appropriate purposes, properly approved, and supported by adequate documentation.
- (8) Examined health and dental insurance premiums paid by the District to determine if coverage for former District employees ended on the appropriate dates and to determine if premium payments by the District were for the appropriate amounts.
- (9) Interviewed District officials to gain an understanding of special education, day programs, and open enrollment billings and to determine if procedures were adequate to ensure all collections were properly deposited.
- (10) Examined payments and collections related to District concession stands to determine if the amounts paid and deposited were reasonable.
- (11) Confirmed payments to the District from the State of Iowa to determine if they were properly deposited to the District's bank accounts and if they were deposited in a timely manner.


- (12) Obtained and reviewed Ms. Lantz's personal bank statements to identify the source of certain deposits.
- (13) Interviewed Ms. Lantz to obtain an understanding of her job duties and explanations for certain transactions.

These procedures identified \$270,217.17 of improper and unsupported disbursements. We were unable to determine if additional payroll amounts were improperly disbursed because timesheets prior to June 15, 2013 were not available. We were also unable to determine if all collections were properly deposited because adequate records were not available. Our detailed findings and recommendations are presented in the Investigative Summary and **Exhibits A** through **D** of the report.

The procedures described above do not constitute an audit of financial statements conducted in accordance with U.S. generally accepted auditing standards. Had we performed additional procedures, or had we performed an audit of the financial statements of the Woodward-Granger Community School District, other matters might have come to our attention which would have been reported to you.

Copies of the report have been filed with the Division of Criminal Investigation, the Dallas County Attorney's Office, and the Attorney General's Office.

We would like to acknowledge the assistance extended to us by personnel of the Woodward-Granger Community School District and the Division of Criminal Investigation during the course of our investigation.


MARY MOSIMAN, CPA
Auditor of State

July 20, 2018

Report on Special Investigation of the
Woodward-Granger Community School District

Investigative Summary

Background Information

The Woodward-Granger Community School District (District) is located in Woodward and Granger, Iowa and serves approximately 1,000 students in Dallas County. The District is governed by a 5 member Board which meets the third Monday of each month.

Melissa Lantz began employment with the District as a part-time Secretary on December 10, 2012. During Ms. Lantz's employment, she held several additional positions, including full-time Secretary and Grandwood/Woodward Academy Billing Clerk. Prior to July 2016, she was also compensated for acting as the sophomore and junior class sponsors and concession stand manager. On July 18, 2016, Ms. Lantz was named the Interim Business Manager/Board Secretary and became the full-time Business Manager/Board Secretary effective January 1, 2017. As the Business Manager/Board Secretary, Ms. Lantz was responsible for:

- 1) Disbursements – making certain purchases and presenting proposed disbursements to the Board for approval;
- 2) Payroll – calculating payroll amounts, preparing, signing, and distributing checks, and posting payments to the accounting records;
- 3) Bank accounts – receiving and reconciling monthly bank statements to accounting records; and
- 4) Board meetings – preparing information for the monthly Board meetings, including agendas, information packets for the Board members, financial reports, bill listings, and other information, as needed. In addition, attending all Board meetings, recording minutes of the meetings, and preparing and publishing all legal notices concerning District business, including Board meeting minutes.

When Ms. Lantz was hired as a part-time Secretary in December 2012, she was assigned the payroll duties. Within the first month of her employment, she was moved from part-time to full-time and continued to perform the payroll duties. She calculated payroll amounts, prepared, signed, and distributed checks and posted payments to the accounting records. Prior to the former Business Manager's retirement, he was available for consultation if needed. However, he retired effective December 31, 2016 and was frequently out of the office beginning in July 2016. Ms. Lantz continued to be the primary individual responsible for all payroll duties during the entire period of her employment.

All District disbursements are to be made by checks drawn on District accounts and supported by invoices or other documentation obtained by or submitted to the Accounts Payable Specialist. Payroll amounts are to be made by check or deposited electronically to employees' personal bank accounts. Payroll amounts are to be supported by employment contracts or other appropriate documentation.

Each month, the Business Manager is to prepare a listing of bills to be paid and provide the listing to the Board for approval. After the Board approves the bills, the Accounts Payable Specialist is to prepare and apply the electronic signatures of the Board President and Business Manager to the checks. Payroll checks are prepared by the Business Manager with her electronic signature and are to be counter-signed by the Board President; however, the Board President's signature was applied to the checks by the Business Manager using an electronic signature of the Board President. The Board President did not review the checks before the electronic signature was

applied, and he did not manually sign checks. In addition, although Ms. Lantz prepared a listing of bills to be provided to the Board for approval, the listing did not include payroll disbursements.

Payroll was prepared around the fifteenth and thirtieth of each month; however, no independent review or reconciliations of the monthly payroll registers were performed. In addition, payroll rates entered into the District's payroll system were not reviewed and approved, and employees could be added and/or deleted without independent approval.

The District's bank statements were delivered directly to Ms. Lantz and she was responsible for the bank reconciliation process for the general fund. Bank reconciliations for other District funds were performed by other staff within the District's Administration office. In addition, unused checks were kept in an unlocked closet in the District Administration office where Ms. Lantz worked.

On August 1, 2017, Ms. Lantz submitted her resignation to the District which was to be effective August 18, 2017. On August 4, 2017, a representative of Grantwood Area Education Agency (AEA), the District's accounting software provider, identified irregularities in payroll amounts issued to Ms. Lantz. Specifically, Ms. Lantz's payroll disbursements should have been twice per month; however, the representative identified additional payroll disbursements to Ms. Lantz in July 2017. The AEA representative contacted the District's Superintendent. After consulting with the District's legal counsel, Ms. Lantz was placed on paid administrative leave. The Superintendent also subsequently contacted the District's CPA firm to notify them of the irregularities identified.

On August 10, 2017, Ms. Lantz's attorney submitted a resignation letter on her behalf to the Superintendent which was effective immediately. As a result, her August 1, 2017 resignation letter was no longer applicable. At a special Board meeting held on August 10, 2017, the Board accepted Ms. Lantz's immediate resignation. Copies of the letters informing Ms. Lantz she had been placed on paid administrative leave and her subsequent resignations are included in **Appendix 1**.

On August 7, 2017, the Office of Auditor of State was notified by the District's CPA firm regarding the irregularities. A representative of the firm also stated the firm would be performing procedures to address the concerns identified by the District. Over the next several months, a representative of the Office of Auditor of State periodically communicated with a firm representative to determine progress of the engagement. During these discussions, it was understood a report had not yet been completed or was ready for issuance.

On January 12, 2018, local media reported "a preliminary auditor's report indicated the Woodward-Granger Community School District lost about \$190,000 in unexplained circumstances." After contacting the CPA firm, we learned they had provided a letter to the District with preliminary findings for use in filing a claim with the District's insurance company. The letter was not intended for public issuance and should not have been released until the CPA firm had completed its fieldwork.

On February 5, 2018, Ms. Lantz and her attorney contacted the Dallas County Attorney to request a meeting regarding the concerns identified at the District. In order to prepare for the meeting and because the CPA firm had not yet issued a report regarding the results of its testing, a representative of the Office of Auditor of State reviewed the CPA firm's work papers. As a result of the review, additional testing procedures were identified which needed to be completed. It was subsequently determined the Office of Auditor of State, after consulting with the CPA firm, would complete the testing and issue a report regarding the resulting findings. As a result, we performed the procedures detailed in the Auditor of State's report for the period December 10, 2012 through August 31, 2017.

Detailed Findings

These procedures identified \$270,217.17 of improper and unsupported disbursements. The \$265,001.48 of improper disbursements identified includes \$253,093.54 of improper payroll disbursements to Ms. Lantz and related FICA and IPERS costs, \$11,893.94 for improper health and dental insurance premiums paid for former District employees, and \$14.00 of excess mileage reimbursed to Ms. Lantz.

The \$5,215.69 of unsupported disbursements identified consist of overtime costs associated with time reported by Ms. Lantz for which sufficient supporting documentation was not available. Mosiman reported supporting documentation was not available which showed prior approval was granted for the overtime, in accordance with the terms of Ms. Lantz’s employment contracts and District policy.

In addition, it was not possible to determine if additional payroll amounts were improperly disbursed because timesheets prior to June 15, 2013 were not available. It was also not possible to determine if all collections were properly deposited because sufficient records were not available. All improper and unsupported disbursements identified are summarized in **Exhibit A** and a detailed explanation of each finding follows.

IMPROPER AND UNSUPPORTED DISBURSEMENTS

For the period December 10, 2012 through August 31, 2017, we scanned available redeemed checks or images of checks issued from the District’s primary checking account and scanned the activity recorded in the District’s accounting system. We also compared the payroll disbursements recorded in the payroll register to employee contracts authorized by the Board for Ms. Lantz. As a result of these procedures, we identified several improper and unsupported disbursements, including unauthorized pay Ms. Lantz issued to herself and overtime paid to her which was not in accordance with policies documented in the District Handbook. The improper and unsupported disbursements identified are discussed in detail in the following paragraphs.

Payroll

As previously stated, Ms. Lantz was hired by the District as a part-time Secretary responsible for the District’s payroll. During Ms. Lantz’s employment, she held various positions which are summarized in **Table 1**.

Position	Effective Dates of Contract	Fiscal Year	Hourly Wage	Annual Salary
Part-Time Secretary	12/10/12 - 01/13/13	2013	\$13.60	-
Full-Time Secretary	01/14/13 - 06/30/13	2013	13.60	-
Full-Time Secretary	07/01/13 - 06/30/14	2014	14.40	-
Full-Time Secretary	07/01/14 - 06/30/15	2015	15.00	-
Grandwood/Woodward Academy Billing Specialist	08/27/14 - 06/30/15	2015	-	5,077.60
Sophomore Class Sponsor	11/01/14 - 01/31/15	2015	-	1,442.75
Concession Stand Manager	04/01/15 - 06/30/15	2015	-	600.00
Central Office Secretary	07/01/15 - 06/30/16	2016	-	9,400.00
Woodward Academy & Grandwood Billing Specialist	07/01/15 - 06/30/16	2016	-	37,600.00
Junior Class Sponsor	08/21/15 - 11/01/15	2016	-	2,044.05
Sophomore Class Sponsor	11/01/15 - 01/31/16	2016	-	1,527.50
Central Office Secretary	07/01/16 - 06/30/17	2017	-	9,400.00
Woodward Academy & Grandwood Billing Specialist	07/01/16 - 07/17/16	2017	-	39,200.82
Woodward Academy & Grandwood Billing Specialist /Interim Business Manager/Board Secretary	07/18/16 - 12/31/16	2017	-	22,430.40
Administrator*	01/01/17 - 06/30/17	2017	-	28,749.50
Administrator*	07/01/17 - resignation	2018	-	59,575.00

* - While the contracts stated “Administrator”, Ms. Lantz’s job duties remained those of the Business Manager/Board Secretary.

As illustrated by the **Table**, Ms. Lantz was an hourly employee for the period December 10, 2012 through June 30, 2015. During a portion of this time, she also received additional contracts for other job duties.

During our review of payroll disbursements to Ms. Lantz and the related costs for FICA and IPERS, we identified several concerns. Specifically, we identified:

- checks Ms. Lantz issued to herself which were recorded in the payroll register but were issued in addition to those for authorized pay periods,
- checks Ms. Lantz received for authorized pay periods between July 1, 2015 and August 15, 2017, but were not for the authorized amount,
- checks Ms. Lantz received between December 10, 2012 and June 30, 2015 which exceeded her authorized hourly rate,
- overtime payments Ms. Lantz received which did not comply with District policy,
- overtime payments Ms. Lantz received for which we were unable to determine propriety, and
- payments to Ms. Lantz for paid leave which exceeded the authorized amount of leave available to her.

These concerns resulted in \$253,093.54 of improper costs and \$5,215.69 of unsupported cost. Each of these concerns is addressed in detail in the following paragraphs.

Unauthorized Checks – Ms. Lantz should have been paid according to the terms of her contracts. Based on a review of her employment contracts in effect from July 1, 2015 through August 15, 2017, Ms. Lantz was authorized to receive an annual salary and health insurance benefits payable in bi-monthly installments for 12 consecutive months. Ms. Lantz was also authorized to receive a certain number of vacation, sick leave, and personal leave days.

Based on the comparison of the payroll register to Ms. Lantz's employment contracts for the period July 1, 2015 through August 15, 2017, we identified the following discrepancies:

- Ms. Lantz was authorized to receive 51 payroll checks per her contracts; however, she received 152 checks, each of which was recorded in the payroll register.
- Ms. Lantz changed her contract amounts in the payroll register to increase the amount of her authorized salary.
- The payroll system included a field which specified the maximum annual salary which should have prevented payments in excess of that amount. However, Ms. Lantz changed information in the field which reflected the cumulative amount previously paid for the current year contract. Decreasing this amount allowed additional payments in excess of her authorized annual salary.
- Ms. Lantz split 1 contract amount into 2 separate line items in the payroll system for certain payroll transactions.
- Ms. Lantz recorded class sponsor line items in the payroll system during periods when she did not have a contract with the District to be a class sponsor. This allowed her to issue herself unauthorized payments.
- In 7 instances, a payroll entry was subsequently voided after a check was issued to Ms. Lantz and deposited.
- In 1 instance, Ms. Lantz paid herself overtime; however, she was a salaried employee at the time of the payment and was not entitled to receive overtime.

Exhibit B lists the authorized and actual salary amount for Ms. Lantz for each pay period from July 1, 2015 through August 15, 2017. As illustrated by the **Exhibit**, the 101 unauthorized checks identified were issued in addition to those for authorized pay periods and ranged from \$315.00 to \$6,500.00. The first additional unauthorized check identified for the period July 1, 2015 through August 15, 2017 was issued on October 8, 2015 in the amount of \$2,000.00.

The **Exhibit** also illustrates, with the exception of the check issued to Ms. Lantz for the pay date March 30, 2017, each of the payments Ms. Lantz received for an authorized pay period was made by electronic deposit to her personal bank account. However, all of the additional unauthorized payments issued between the authorized pay periods were issued to her using a check.

With the assistance of a special agent of the Division of Criminal Investigation (DCI), we interviewed Ms. Lantz on March 22, 2018. She was accompanied by her attorney. During the interview, she stated she wrote herself extra checks whenever she needed the money and the amount was based on how much money she needed to cover personal bills.

As previously stated, we identified 7 instances for which a payroll entry was voided after a check was issued to Ms. Lantz and deposited. During the interview, Ms. Lantz stated she was “trying to hide what I was doing there.”

Exhibit B illustrates on 14 occasions Ms. Lantz issued herself 2 or 3 checks on the same day. For example, Ms. Lantz issued herself 3 checks on October 17, 2016. None of the 3 was for an authorized pay period. The gross amount of the checks totals \$11,620.14. The employer’s share of FICA and IPERS paid by the District for these checks totals \$1,926.60. We traced the proceeds of the checks to 2 deposits in Ms. Lantz’s personal bank account. Based on our review of disbursements from the account near the time of the deposits, it appears the proceeds from the unauthorized checks were used to pay \$2,100.00 to the IRS, \$891.25 to Big Picture Loans, \$1,500.00 to Granger Motors, and \$1,309.08 to Homemaker’s Furniture.

During our review of Ms. Lantz’s personal bank statements, we determined check number 64424 issued from the District’s account on February 9, 2017 was deposited to Ms. Lantz’s personal bank account on February 13, 2017. As illustrated by **Exhibit B**, the gross amount of the unauthorized check was \$6,500.00, but the net amount deposited was \$4,516.69. In addition, Ms. Lantz’s personal bank statements show a \$2,212.92 deposit on February 15, 2017 which was composed of \$500.00 cash and \$1,712.92 of net proceeds from unauthorized check number 64715 Ms. Lantz issued to herself from the District’s account on February 15, 2017. Also on February 15, 2017, an \$8,500.00 check to McKinley Auto & RV cleared Ms. Lantz’s personal bank account. District staff reported Ms. Lantz and her family purchased a camper in early 2017.

By reviewing the activity in Ms. Lantz’s personal bank account for the period February 13, 2017 through February 15, 2017, it is clear a significant portion of the \$8,500.00 check issued to the RV dealer was proceeds from unauthorized checks Ms. Lantz issued to herself from the District’s bank account. Copies of the checks issued from the District’s account and the \$8,500.00 check to the RV dealer are included in **Appendix 2**.

The gross amount of the 101 unauthorized checks identified totals \$216,652.44. This amount is included in **Exhibit A** as improper disbursements.

Incorrect Payroll Amounts – During our comparison of Ms. Lantz is contract amounts to the payroll register, we identified 44 instances for which Ms. Lantz did not properly calculate her payroll. For 27 instances, her gross pay exceeded her authorized gross pay by a total of \$11,262.47. For the remaining 17 instances, her gross pay was \$15,263.72 less than it should have been. The net total of the 44 instances is a \$4,001.25 underpayment to Ms. Lantz for the salary paid to her from July 1, 2015 through August 15, 2017.

The 44 instances are listed in **Exhibit B** along with Ms. Lantz’s authorized and actual gross pay. During the interview with Ms. Lantz, she stated she occasionally added extra to her paychecks when she needed money. Ms. Lantz did not explain why she underpaid herself in other instances.

The \$4,001.25 underpayment identified is included in **Exhibit A**.

Excess FICA and IPERS for Unauthorized Checks and Incorrect Payroll Amounts – Because Ms. Lantz received the 101 unauthorized checks and did not properly calculate her gross salary for an additional 44 instances, the District incurred excess FICA and IPERS costs. The excess costs total \$16,267.75 and \$18,989.77 for FICA and IPERS, respectively. The \$35,257.52 total is summarized in **Exhibit B** by improper payment and included in **Exhibit A** as improper disbursements.

Improper Payroll for Hourly Contracts – As illustrated by **Table 1**, Ms. Lantz’s contracts document she was authorized to receive an hourly pay rate during the period December 10, 2012 through June 30, 2015 for her secretarial duties. She was also authorized to receive salary amounts for the Billing Specialist and Sophomore Class Sponsor duties assigned her.

We compared Ms. Lantz’s authorized pay rates specified by her contracts to the payroll amounts Ms. Lantz issued to herself for the period December 10, 2012 through June 30, 2015. **Table 2** summarizes the comparison of Ms. Lantz’s actual payroll to her authorized payroll for this period.

Table 2

	Amounts for				Total
	Secretary	Billing	Sponsor	Concessions	
Actual	\$ 75,681.14	5,877.60	2,246.02	800.00	84,604.76
Authorized	75,469.15	5,077.60	1,442.75	800.00	82,789.50
Excess payments	\$ 211.99	800.00	803.27	-	1,815.26
Additional FICA					138.87
Additional IPERS					162.10
Total excess costs					\$ 2,116.23

As illustrated by the **Table**, Ms. Lantz received \$1,815.26 in excess of the authorized pay specified in her employment contracts. The \$211.99 of net excess payments related to Ms. Lantz’s pay for her secretarial duties includes a \$211.99 overpayment on June 28, 2013 and 6 overpayments of \$742.85 or \$742.86 on checks for the pay periods from January 30, 2015 through April 15, 2015. The \$211.99 of net excess payments also includes 5 underpayments ranging from \$755.24 to \$936.83 from April 30, 2015 through June 30, 2015. The \$211.99 of net excess payments also includes a number of small variances between the authorized pay for secretarial duties and the amounts Ms. Lantz recorded in the payroll register.

The \$800.00 of net excess payments related to Ms. Lantz’s pay for the billing services she provided is composed of 15 variances which occurred during each pay period between November 28, 2014 and June 30, 2015. The 15 variances include 4 overpayments ranging from \$76.72 to \$2,823.72, 10 underpayments of \$253.88 each, and 1 underpayment of \$53.88.

The \$803.27 of net excess payment related to Ms. Lantz’s pay for being the sophomore class sponsor is composed of 17 variances which occurred on checks issued from September 15, 2014 through June 30, 2015. The 17 variances include 9 overpayments which totaled \$1,200.28 and 8 underpayments which totaled \$397.01. The individual overpayments did not exceed \$234.38 individually and 5 of the 8 underpayments were for \$65.61 or \$65.62.

Table 2 also illustrates the District incurred additional costs for FICA and IPERS which totaled \$138.87 and \$162.10, respectively, because of the excess pay.

During our review of the District’s payroll register, we determined Ms. Lantz frequently changed the “base” amount of pay authorized for the positions she held. However, we did not identify similar changes made for other employees during the course of a fiscal year.

The \$2,116.23 of excess payroll and related costs are included in **Exhibit A** as improper disbursements.

Overtime Not In Compliance with District Policy – As previously stated, when Ms. Lantz was hired by the District as a part-time secretary, she became responsible for the District’s payroll. As illustrated in **Table 1**, Ms. Lantz became a full-time secretary effective January 14, 2013 and remained an hourly employee until June 30, 2015. As an hourly employee, Ms. Lantz was eligible to receive overtime for hours worked in excess of 40 per week. She was also responsible for preparing timecards which summarized the number of hours she worked. We reviewed Ms. Lantz’s timecards for the period June 15, 2013 through June 30, 2015; however, timecards prior to June 15, 2013 were not available.

According to section 22.05(B) of the District’s Handbook, “time worked over 40 hours per week is paid at 1.5 rate. Time over 40 hours per week does not include sick, vacation, holiday or personal leave time.” During our review of Ms. Lantz’s payroll register, we determined Ms. Lantz received overtime pay at a rate of 1.5 times her hourly pay for hours she recorded in the payroll system in excess of 40 hours per week.

We reviewed Ms. Lantz’s available timecards and identified 23 instances where Ms. Lantz received overtime for hours which also included sick leave, vacation, holiday or personal leave time which is not in compliance with the District’s Handbook. As a result of these 23 instances, Ms. Lantz received \$1,815.95 of unauthorized overtime pay and the District incurred excess costs for FICA and IPERS of \$138.92 and \$162.09, respectively.

The unauthorized overtime and related payroll costs totaling \$2,116.96 are included in **Exhibit A** as improper disbursements.

Ms. Lantz’s Additional Hours – During our review of Ms. Lantz’s available timecards for the period June 15, 2013 through June 30, 2015, we determined a majority of her timecards included hours she worked from home. According to District officials we spoke with, Ms. Lantz had remote access to the District’s accounting records. The hours Ms. Lantz reported she worked from home are summarized in **Table 3**.

Table 3

Time Period	Hours Worked from Home		
	Weekdays	Weekends	Total
June 2013#	3.00	3.00	6.00
July 2013 – Dec. 2013	85.50	15.00	100.50
Jan. 2014 – June 2014	93.50	33.00	126.50
July 2014 – Dec. 2014	57.75	27.00	84.75
Jan. 2015 – June 2015	58.00	-	58.00
Total	297.75	78.00	375.75

- Timecards were not available prior to June 15, 2013.

As illustrated by the **Table**, Ms. Lantz reported she worked 375.75 hours from home for the period June 15, 2013 through June 30, 2015. However, based on discussions with the Superintendent and former Business Manager, the number of hours Ms. Lantz recorded as work from home was “way too many” and “not reasonable”. They also stated they would have “never approved” or authorized that many hours. In addition, we discussed Ms. Lantz’s workload and the number of hours worked by Ms. Lantz with District staff. Based on those discussions, District staff stated Ms. Lantz was frequently away from the office or would come in late or leave early.

During our review of the timecards, we identified the following:

- Ms. Lantz provided a written explanation of work performed at home for 4 of the 49 pay periods. For the remaining 45 pay periods, Ms. Lantz wrote “work from home” on her timecard with no further explanation.
- For 1 of the 4 instance where a written explanation was provided, we determined the Business Manager and District Superintendent signed off on hours worked from home. The timecard was prepared in August 2014. A copy of the approved work from home hours is included in **Appendix 3**. As illustrated by the **Appendix**, Ms. Lantz reported work from home hours of 20.50. According to District representatives, the explanation of work provided seems reasonable for the time period and the signatures or initials on the document are theirs.

In addition to reviewing Ms. Lantz’s timecards, we reviewed the information recorded in the payroll register for Ms. Lantz to determine how she was compensated for the work from home hours. We determined she received:

- her hourly rate for the hours she reported she worked from home because the hours were needed to reach her 40 hours for the week,
- overtime pay for the hours she reported she worked from home, or
- a combination of her regular hourly rate and overtime pay.

According to the District Handbook, all overtime must be approved in advance. Because a portion of those hours she recorded were paid as overtime, they should have been approved prior to being incurred. When we discussed approval of Ms. Lantz’s overtime with the Superintendent, he stated he was unable to remember if pre-approval was given for overtime and time Ms. Lantz worked from home. He confirmed approval would not always be documented in a form available for our review.

Because Ms. Lantz did not document what work was performed at home, we were unable to determine the reasonableness of her hours. However, we discussed the reasonableness of Ms. Lantz working from home and the reasonableness of the number of hours she reported she worked from home with District representatives. According to District representatives, the person who prepared payroll prior to Ms. Lantz was a part-time person and did not take any work home. In addition, Ms. Lantz’s successor has worked for home on 1 occasion since assuming responsibility for payroll and completing the District’s consortium billings. As a result, it does not appear it was necessary for Ms. Lantz to incur time working from home in excess of 40 hours per week.

Because documentation was not available to support the work from home hours Ms. Lantz reported and District representatives questioned the reasonableness of the total number of hours, we have classified Ms. Lantz’s “work from home” hours in excess of 40 hours per week as unsupported. Ms. Lantz was paid \$4,474.90 for the number of hours she reported she worked from home in excess of 40 hours within a week. The District also incurred \$342.32 and \$398.47 of costs for FICA and IPERS, respectively, for this pay. The total unsupported costs of \$5,215.69 are included on **Exhibit A**.

As previously stated, with the assistance of a DCI agent, we interviewed Ms. Lantz on March 22, 2018. After the interview, we received an email from her attorney. A copy of the email has been included in **Appendix 4**. As illustrated in the **Appendix**, Ms. Lantz’s attorney stated numerous people commented on Ms. Lantz’s long hours and how hard she worked. In addition, Ms. Lantz’s attorney stated in the email Ms. Lantz did not recall a time when the Superintendent denied or rejected any overtime hours.

However, during the interview with Ms. Lantz, when asked what duties she performed while working from home, some of the duties she listed would have only been her responsibility during the period when she was responsible for the Business Manager’s duties. During this period, she was salaried and not compensated for working in excess of 40 hours per week.

Leave Time Used in Excess of Authorized Paid Leave Time – As a full-time District employee, Ms. Lantz was entitled to receive paid leave time such as vacation, sick leave, holiday, emergency, and bereavement. Because Ms. Lantz was responsible for payroll and recorded employees’ time in the payroll system, we compared leave time recorded on Ms. Lantz’s timecards to leave time recorded in the payroll system to determine if the leave time used was properly recorded. We also obtained copies of the Woodward-Granger Support Staff Agreement (agreement) to determine the amount of authorized leave time and what amount, if any, was authorized to be carried forward to the following year.

Based on our review of timecards and the agreement, we determined Ms. Lantz exceeded her authorized amount of paid leave time for the fiscal years ended June 30, 2014 and June 30, 2015. **Table 4** compares the amount of paid leave time Ms. Lantz used to the authorized amount for these fiscal years.

Table 4

Description	Fiscal Year		Total
	2014	2015	
Total paid leave time recorded by Melissa Lantz* (hours)	247.0	243.0	490.0
Less: Authorized paid leave time (hours)	(220.0)	(214.5)	(434.5)
Excess hours of paid leave taken	27.0	28.5	55.5
Authorized hourly pay rate	\$ 14.40	15.00	
Excess gross pay	388.80	427.50	816.30
Excess District share of FICA	29.74	32.70	62.45
Excess District share of IPERS	34.72	38.18	72.90
Total improper costs	\$ 453.26	498.38	951.64

* - Excluding hours for holidays observed by all District employees.

As illustrated by the **Table**, Ms. Lantz used 27 hours of paid leave time in excess of the amount authorized for the fiscal year ended June 30, 2014 and 28.5 hours in excess of authorized for the fiscal year ended June 30, 2015. Because Ms. Lantz recorded paid leave hours in excess of the amount she was authorized, the District incurred additional payroll costs totaling \$816.30. As a result of the unauthorized payments for the excess paid leave time, the District incurred additional payroll related costs for FICA and IPERS of \$62.45 and \$72.90, respectively.

The \$951.64 of improper disbursements for the excess paid leave time paid to Ms. Lantz and summarized in **Table 4** is included in **Exhibit A**.

W-2 Reports – As previously stated, Ms. Lantz was responsible for all aspects of the District’s payroll process. This included preparing and filing monthly, quarterly, and yearly reports for payroll with state, federal, and IPERS officials. In addition, Ms. Lantz was responsible for preparing and reconciling all W-2s to the quarterly 941 reports and preparing W-3s to ensure all numbers are accurate and agree prior to submission.

We compared the wages reported on Ms. Lantz’s W-2s for 2012 through 2017 to the wages recorded in the payroll register. **Table 5** summarizes the comparison.

Table 5

Fiscal Year	Wages Recorded in		
	Payroll Register	W-2s	Difference
2012	\$ 795.81	795.81	-
2013	28,267.02	28,267.02	-
2014	39,236.25	39,236.25	-
2015	56,575.47	56,575.47	-
2016	144,666.34	62,989.27	81,677.07
2017	151,089.00	44,739.64	106,349.36
Total	\$ 420,629.89	232,603.46	188,026.43

According to a District representative, the District had not made any changes to Ms. Lantz’s W-2s as of April 16, 2018. A copy of this report has been filed with the Iowa Department of Revenue and the Internal Revenue Service.

Reimbursements Issued to Melissa Lantz

In addition to reviewing Ms. Lantz’s payroll, we examined all reimbursements issued to Ms. Lantz between December 10, 2012 and August 15, 2017 to determine if they were properly supported. During our review, we identified a check issued to Ms. Lantz on February 10, 2015 in the amount of \$92.75 for mileage reimbursement. However, according to the supporting documentation for the payment, Ms. Lantz incurred 175 miles for the period January 12, 2015 through February 5, 2015. The mileage rate paid by the District was \$0.45 per mile. As a result, Ms. Lantz should have received \$78.75 rather than \$92.75. The difference of \$14.00 is included in **Exhibit A** as an improper disbursement.

Health and Dental Premiums

Ms. Lantz was responsible for providing employees information regarding health and dental insurance. In addition, Ms. Lantz was responsible for ensuring the health and dental deductions from employees’ gross payroll was properly recorded in the payroll system. As the only individual responsible for payroll duties, she was also responsible for ensuring terminated employees were removed from the District’s insurance coverage.

During our fieldwork, District representatives identified concerns regarding Ms. Lantz not properly ending insurance coverage when certain employees left the District’s employment. As a result, we compared health and dental insurance premiums to former employees’ resignation dates to determine if the District incurred any costs as a result of Ms. Lantz not ending terminated employees’ insurance coverage in a timely manner.

As a result of the comparison, we identified 6 individuals for whom Ms. Lantz did not end insurance coverage in a timely manner. **Exhibit C** lists the 6 individuals and the additional cost incurred by the District. As illustrated by the **Exhibit**, we determined medical and/or dental

insurance coverage was not ended for the 6 employees until 3 to 12 months after their employment was terminated.

Because Ms. Lantz did not end insurance coverage in a timely manner, the District incurred \$11,893.94 for additional cost of the insurance premiums for employees no longer employed by the District. The \$11,893.94 of additional insurance premiums are included on **Exhibit A** as improper disbursements.

UNDEPOSITED COLLECTIONS

Ms. Lantz had a contract with the District to prepare the billings for special education and open enrollment for the Grandwood School and Woodward Academy day program. As part of her duties, she determined the amount to bill other school districts who received services. The subsequent collections were to be received by other District personnel and remitted to Woodward Academy. However, periodic reconciliations between the amounts billed, collected, and due were not prepared and sufficient documentation was not readily available to compare all collections to the amounts billed. As a result, we were unable to determine if amounts billed and collected were properly deposited and remitted.

In addition, during her employment, Ms. Lantz had contracts with the District which made her responsible for concession stand operations as the sophomore and junior class sponsors and the concession stand manager. Because sufficient records were not available for sales when the concession stands were operated, we performed an analytical comparison of concession stand purchases, recorded collections, and amounts deposited. We did not identify any unusual variances during the comparison which could not be explained. As a result, we did not identify any undeposited collections. However, if sufficient records had been available for the collections received from the concession stands, we may have identified collections which were not properly deposited.

In addition to reviewing the District's collection records and bank deposits, we obtained Ms. Lantz's personal bank statements and identified a number of cash deposits. Specifically, we reviewed the bank statements for joint accounts she held with her husband at Wells Fargo, and a locally owned financial institution and a "Blue Bird" account held through American Express® which can only be accessed electronically. Using the statements and supporting documentation available, we were able to identify deposits composed of payroll amounts, checks from other sources, and cash.

Using District payroll records, we determined each payroll disbursement identified in **Exhibit B** as a direct deposit, or a portion of it, was deposited to a personal account at Wells Fargo or the locally owned financial institution. Beginning in November 2014, a portion of each payment was also deposited to the "Blue Bird" account. The only deposits to the "Blue Bird" account were from Ms. Lantz's payroll disbursements from the District.

During our review of the available bank records, we determined a number of checks were deposited to Ms. Lantz's personal accounts, including checks from family and friends and from personal businesses, such as Pampered Chef® and Young Essential Living Oils®.

The cash deposits identified in Ms. Lantz's personal bank account from December 10, 2012 through August 15, 2017 are listed in **Exhibit D**. As illustrated by the **Exhibit**, we identified \$29,427.30 of cash deposits and \$2,940.00 of additional deposits for which detailed bank documents were not available. The deposits listed in the **Exhibit** do not include payroll amounts or deposits composed of checks. Because detailed bank documents were not available for the \$2,940.00 of deposits, we are unable to determine what portion, if any, of the collections were made in cash.

During the interview with Ms. Lantz, we inquired regarding the source of the cash deposits. According to Ms. Lantz, the cash deposits were composed of cash withdrawals from her American

Express “Blue Bird” account and checks which were redeemed for cash. She stated she deposited the unused cash from these sources in her personal bank accounts. We reviewed the statements for the American Express account and determined the total cash withdrawn at ATMs from the account totaled \$8,872.75 (including related fees). As a result, it is clear a significant portion of the cash deposits were not a result of unused cash withdrawn from the American Express account being redeposited to a different personal account.

The cash deposits to Ms. Lantz’s personal bank accounts are not included in **Exhibit A**.

OTHER INFORMATION

Board Financial Reports – As the Business Manager, Ms. Lantz was responsible for preparing monthly financial reports to present to the Board during their monthly meetings. We reviewed the monthly reports prepared by Ms. Lantz and presented to the Board. **Table 6** compares the revenues and expenditures recorded in the District’s accounting system to information Ms. Lantz reported to the Board for selected months.

Table 6

Description	December 2016	January 2017	March 2017	May 2017
<u>Revenues:</u>				
Per Accounting system	\$ 4,846,722.77	5,584,540.75	7,467,756.19	10,071,940.10
Reported to Board	4,846,722.77	5,584,540.75	7,464,606.19	10,068,790.10
Difference	-	-	3,150.00	3,150.00
<u>Expenditures per:</u>				
Per Accounting system	3,940,540.14	4,659,060.14	6,854,473.38	8,810,388.66
Reported to Board	3,979,298.48	4,605,019.20	6,795,273.77	8,580,183.43
Difference	\$ (38,758.34)	54,040.94	59,199.61	230,205.23

As illustrated by the **Table**, Ms. Lantz was not accurately reporting actual revenues and expenditures to the Board. In addition, we identified 2 instances for which Ms. Lantz did not present any financial reports to the Board.

Ineffective Bank Reconciliations – As previously stated, Ms. Lantz became the interim Business Manager effective July 1, 2016 and became the full-time Business Manager effective January 1, 2017. As the Business Manager, she was responsible for receiving and reconciling monthly bank statements to accounting records. However, prior to July 1, 2016, the former Business Manager was responsible for these duties.

We determined Ms. Lantz issued herself 17 unauthorized checks prior to July 1, 2016. An image of the redeemed check for each of these instances was included in the District’s monthly bank statements. The net amount of the 17 checks ranged from \$272.16 to \$2,013.25.

We are unable to determine why the former Business Manager did not identify these unauthorized checks during the monthly bank reconciliation process.

Recommended Control Procedures

As part of our investigation, we reviewed the procedures used by the Woodward-Granger Community School District to perform bank reconciliations and process disbursements and payroll. An important aspect of internal control is to establish procedures which provide accountability for assets susceptible to loss from errors and irregularities. These procedures provide the actions of one individual will act as a check on those of another and provide a level of assurance errors or irregularities will be identified within a reasonable time during the course of normal operations. Based on our findings and observations detailed below, the following recommendations are made to strengthen the District's internal controls.

- A. Segregation of Duties – An important aspect of internal control is the segregation of duties among employees to prevent an individual employee from handling duties which are incompatible. For the period July 1, 2016 through August 10, 2017, the former Business Manager/Board Secretary had control over each of the following areas.
- (1) Disbursements – presenting proposed disbursements to the Board for approval;
 - (2) Payroll – calculating payroll amounts, preparing, signing, and distributing checks, and posting payments to the accounting records;
 - (3) Bank accounts – receiving and reconciling monthly bank statements to accounting records; and
 - (4) Reporting – preparing information for the monthly Board meetings, including agendas, information packets for the Board members, financial reports, bill listings, and other information, as needed. In addition, attending all Board meetings, recording minutes of the meetings, and preparing and publishing all legal notices concerning District business, including Board meeting minutes.

In addition, bank statements were delivered directly to the Business Manager without any independent review. Prior to July 1, 2016, the same individuals also was responsible for all duties regarding the preparation and distribution of payroll.

Recommendation – We realize segregation of duties is difficult with a limited number of employees. However, the functions listed above should be segregated among available personnel, including elected officials. In addition, the Superintendent and/or Board members should review financial records, perform reconciliations, and examine supporting documentation for accounting records on a periodic basis.

Also, bank statements should be delivered to an official who does not collect or disburse District funds. The bank statements should be reviewed in a timely manner for unusual activity. Bank reconciliations should be performed monthly and should be reviewed by someone independent of other financial responsibilities. The reviews should be documented by the signature or initials of the reviewer and the date of the review.

- B. Accountability of Checks – Unused checks are kept in an unlocked closet in the Administration Office. In addition, the checks are not numbered until they are printed by the District. As a result, it is not possible to readily ensure the completeness of the unused checks stored in the closet.

Recommendation – All unused checks should be secured in a manner which ensures they are accessible only to required staff. In addition, a log should be maintained of the unused checks on hand. The log should include a notation of date and who is removing checks from the supply, the sequential numbers subsequently assigned to the checks by the District's accounting system, and the remaining number of checks in inventory. The log should also periodically be compared to actual checks issued and unused checks

remaining in inventory by someone independent of preparing checks and without access to the supply at any other time.

C. Disbursements – During our review of the District’s disbursements, the following were identified:

- (1) Although District checks require dual signatures, the Business Manager and the Board President’s signatures are electronically applied during check preparation by the same person.
- (2) Excess mileage was paid on a travel reimbursement.

Recommendation – All District reimbursements should be reviewed for accuracy prior to payment to ensure reimbursements are not overpaid. To strengthen internal control, each check should be prepared and signed by one person, and detailed supporting vouchers and invoices should be provided, along with the check, to a second independent person for review, approval, and signature. Also, the Business Manager should not have access to the Board President’s electronic signature.

D. Payroll – There was no independent review of payroll disbursements. In addition, during our review of the District’s payroll, the following concerns were identified:

- (1) Payroll was not approved in the Board meeting minutes,
- (2) Payroll rates entered into the payroll system for new and existing employees were not reviewed and approved for accuracy by an independent person,
- (3) Employees could be added and/or deleted from payroll and pay rates and deductions could be changed without written approval,
- (4) Procedures were not in place to ensure employees did not receive more than their authorized salary amount,
- (5) Procedures and policies were not place to ensure employees document any work from home and approval was received in advance, and
- (6) Overtime was incurred which did not comply with the District Handbook.

Recommendation – District officials should ensure payroll checks are included in the disbursement listing approved by the Board. After employment contracts have been approved, an independent person should review the new rates entered into the payroll system, and the payroll register should be reviewed and approved by an independent person each month to ensure employees are being paid per approved contracts and are not receiving any payroll in excess of authorized. Also, employee additions and deletions and changes in pay rates and deductions should be approved in writing prior to being entered in the payroll system.

District officials should implement procedures to ensure compliance with policies and procedures established in the District’s Handbook regarding overtime. In addition, all overtime and hours worked from home should be pre-approved and an explanation of work performed should be provided.

E. Financial Reports – Monthly financial reports presented to the Board were not an accurate representation of the District’s revenue and expenditures for certain months tested. In addition, financial reports were not presented to the Board for certain months.

Recommendation – The Board should ensure monthly financial reports are received showing budgeted to actual for revenues and expenditures. In addition, line item detail should be available to ensure the Board has a clear representation of revenues received and expenditures to make clear and concise decisions.

- F. Grandwood/Woodward Academy Billings – During our review, District officials were unable to locate monthly reconciliations of billings to collections for the special education and day programs and open enrollment for the period of our review. In addition, they were unable to determine if they were performed during Ms. Lantz’s employment period.

Recommendation – District officials should ensure monthly reconciliations of billing to collections are performed and reviewed. In addition, any variances identified should be followed up on.

- G. Health and Dental Insurance Premiums – During our review, it was determined former employees of the District received health and dental coverage for 3 to 12 months after their departure from the District. The District continued to pay for these health and dental insurance premiums even though the employees no longer were employed by the District.

Recommendation – District officials should ensure health and dental coverage is reconciled every monthly to a list of current employees and employees separating from the District are appropriately terminated from the District’s health and dental coverage.

- H. Concession Stand Collections – During our review, we determined supporting documentation for concession stand collections was incomplete and not tracked on a periodic basis. As a result, we are unable to determine if collections were properly deposited.

Recommendation – District officials should implement procedures which ensure sufficient documentation for concession stand and other types of collections is prepared and maintained. The procedures established should include cash being counted in front of another person, completion of a form showing beginning amount of cash, breakouts by denominations of cash collected, and at least 2 individuals signing the form to certify the accuracy of the amount of collections recorded. In addition, a receipt should be issued from the Administration Office to the individual turning in the collections. An independent person should reconcile amounts deposited to collections recorded on the form to ensure all collections are properly deposited.

The collection forms and receipt should be maintained by the Administration Office as supporting documentation. These procedures should be followed for all activity fund collections, including, but not limited to, concession stands, gate admissions, and fundraisers.

Exhibits

Report on Special Investigation of the
Woodward-Granger Community School District

Summary of Findings
For the period December 10, 2012 through August 31, 2017

Description	Exhibit/Page/ Table	Improper	Unsupported	Total
Improper and unsupported disbursements:				
Payroll checks issued to Ms. Lantz:				
Unauthorized checks	Exhibit B	\$ 216,652.44	-	216,652.44
Incorrect payroll amounts, net amount	Exhibit B	(4,001.25)	-	(4,001.25)
Excess FICA and IPERS for unauthorized checks and incorrect payroll amounts	Exhibit B / Page 10	35,257.52	-	35,257.52
Improper payroll for hourly contract*	Table 2	2,116.23	-	2,116.23
Overtime not in compliance with District policy*	Page 11	2,116.96	-	2,116.96
Ms. Lantz's additional hours*	Page 12	-	5,215.69	5,215.69
Leave time used in excess of authorized paid leave time*	Table 4	951.64	-	951.64
Reimbursements issued to Ms. Lantz	Page 14	14.00	-	14.00
Health and dental insurance premiums	Exhibit C	11,893.94	-	11,893.94
Total		\$ 265,001.48	5,215.69	270,217.17

* - Includes the District's share of FICA and IPERS for the excess gross payments.

Report on Special Investigation of the
Woodward-Granger Community School District

Improper Salary Payments to Melissa Lantz
For the period December 10, 2012 through August 31, 2017

Authorized Pay Dates	Per Payroll Register			Authorized Gross Pay	Actual Gross Pay in Excess of/(Less than) Authorized
	Check Date	Check Number	Gross Pay		
07/15/15	07/15/15	57249	\$ 1,958.34	D \$ 1,958.34	-
07/30/15	07/30/15	57424	1,958.34	D 1,958.34	-
08/14/15	08/14/15	57596	2,258.34	D 1,958.34	300.00
08/28/15	08/28/15	57778	3,958.34	D 3,958.34	-
09/15/15	09/15/15	57961	1,958.34	D 1,958.34	-
09/30/15	09/30/15	58147	1,958.34	D 1,958.34	-
-	10/08/15	58311	2,000.00	C -	2,000.00
10/15/15	10/15/15	58347	1,958.34	D 1,958.34	-
-	10/16/15	58416	2,000.00	C -	2,000.00
10/30/15	10/30/15	58549	3,826.36	D 2,002.39	1,823.97
11/13/15	11/13/15	58748	3,158.34	D 2,958.34	200.00
-	11/17/15	58904	1,705.79	C -	1,705.79
11/30/15	11/30/15	58945	1,624.97	D 1,958.34	(333.37)
-	12/07/15	59020	2,866.00	C -	2,866.00
12/15/15	12/15/15	59140	1,624.98	D 1,958.34	(333.36)
-	12/18/15	59302	1,400.00	C -	1,400.00
-	12/28/15	59393	1,200.00	C -	1,200.00
12/30/15	12/30/15	59336	3,242.82	D 1,958.34	1,284.48
01/15/16	01/15/16	59533	4,105.03	D 1,958.34	2,146.69
01/29/16	01/29/16	59726	910.94	D 1,958.34	(1,047.40)
02/15/16	02/12/16	59924	910.94	D 2,485.84	(1,574.90)
02/29/16	02/29/16	60124	910.93	D 1,958.34	(1,047.41)
03/15/16	03/15/16	60323	2,071.86	D 1,958.34	113.52
-	03/17/16	60380	1,400.00	C -	1,400.00
03/30/16	03/30/16	60519	1,743.94	D 1,958.34	(214.40)
-	04/02/16	60624	1,429.30	C -	1,429.30
04/15/16	04/15/16	60718	814.65	D 1,958.34	(1,143.69)
-	04/18/16	60777	710.99	C -	710.99
04/29/16	04/29/16	60916	852.15	D 1,958.34	(1,106.19)
-	04/29/16	60979	315.00	C -	315.00
-	05/05/16	60992	340.86	C -	340.86
05/13/16	05/13/16	61119	1,958.35	D 1,958.35	-

Unauthorized Payment Made		Employer's Share of	
In Addition to Authorized Pay Periods	For Authorized Pay Period	FICA	IPERS
-	-	-	-
-	-	-	-
-	300.00	22.95	26.79
-	-	-	-
-	-	-	-
-	-	-	-
2,000.00	-	153.00	178.60
-	-	-	-
2,000.00	-	153.00	178.60
-	1,823.97	139.53	162.88
-	200.00	15.30	17.86
1,705.79	-	130.49	152.33
-	(333.37)	(25.50)	(29.77)
2,866.00	-	219.25	255.93
-	(333.36)	(25.50)	(29.77)
1,400.00	-	107.10	125.02
1,200.00	-	91.80	107.16
-	1,284.48	98.26	114.70
-	2,146.69	164.22	191.70
-	(1,047.40)	(80.13)	(93.53)
-	(1,574.90)	(120.48)	(140.64)
-	(1,047.41)	(80.13)	(93.53)
-	113.52	8.68	10.14
1,400.00	-	107.10	125.02
-	(214.40)	(16.40)	(19.15)
1,429.30	-	109.34	127.64
-	(1,143.69)	(87.49)	(102.13)
710.99	-	54.39	63.49
-	(1,106.19)	(84.62)	(98.78)
315.00	-	24.10	28.13
340.86	-	26.08	30.44
-	-	-	-

Report on Special Investigation of the
Woodward-Granger Community School District

Improper Salary Payments to Melissa Lantz
For the period December 10, 2012 through August 31, 2017

Authorized Pay Dates	Per Payroll Register				Authorized Gross Pay	Actual Gross Pay in Excess of/(Less than) Authorized
	Check Date	Check Number	Gross Pay			
-	05/13/16	61173	1,291.68	C	-	1,291.68
-	05/17/16	61177	1,491.69	C	-	1,491.69
05/27/16	05/27/16	61316	1,491.68	D	1,958.34	(466.66)
-	05/31/16	61381	418.00	C	-	418.00
-	06/01/16	61383	2,080.00	C	-	2,080.00
06/15/16	06/15/16	61517	2,458.33	D	1,958.34	499.99
-	06/15/16	61654	780.00	C	-	780.00
-	06/17/16	61662	624.00	C	-	624.00
06/30/16	06/30/16	61705	600.00	D	1,958.34	(1,358.34)
-	07/01/16	61781	5,500.00	C	-	5,500.00
-	07/06/16	61782	1,500.00	C	-	1,500.00
07/15/16	07/15/16	61877	2,688.48	D	2,025.04	663.44
-	07/15/16	61966	1,800.00	C	-	1,800.00
-	07/18/16	61967	500.00	C	-	500.00
-	07/19/16	61968	1,925.03	C	-	1,925.03
-	07/25/16	61990	643.77	C	-	643.77
07/29/16	07/29/16	62052	2,702.58	D	2,704.80	(2.22)
-	08/02/16	62098	1,839.13	C	-	1,839.13
-	08/04/16	62103	972.48	C	-	972.48
-	08/09/16	62104	2,039.13	C	-	2,039.13
08/15/16	08/15/16	62226	4,092.16	D	2,704.80	1,387.36
-	08/15/16	62263	4,941.78	C	-	4,941.78
-	08/19/16	62289	882.62	C	-	882.62
-	08/22/16	62292	1,000.00	C	-	1,000.00
-	08/23/16	62299	651.25	C	-	651.25
-	08/29/16	62442	2,181.98	C	-	2,181.98
08/30/16	08/30/16	62401	2,731.50	D	2,704.80	26.70
-	09/01/16	62464	3,965.35	C	-	3,965.35
-	09/06/16	62468	3,965.35	C	-	3,965.35
09/15/16	09/15/16	62580	1,572.33	D	2,704.80	(1,132.47)
-	09/15/16	62743	650.01	C	-	650.01
-	09/19/16	62745	692.30	C	-	692.30

Unauthorized Payment Made		Employer's Share of	
In Addition to Authorized Pay Periods	For Authorized Pay Period	FICA	IPERS
1,291.68	-	98.81	115.35
1,491.69	-	114.11	133.21
-	(466.66)	(35.70)	(41.67)
418.00	-	31.98	37.33
2,080.00	-	159.12	185.74
-	499.99	38.25	44.65
780.00	-	59.67	69.65
624.00	-	47.74	55.72
-	(1,358.34)	(103.91)	(121.30)
5,500.00	-	420.75	491.15
1,500.00	-	114.75	133.95
-	663.44	50.75	59.25
1,800.00	-	137.70	160.74
500.00	-	38.25	44.65
1,925.03	-	147.26	171.91
643.77	-	49.25	57.49
-	(2.22)	(0.17)	(0.20)
1,839.13	-	140.69	164.23
972.48	-	74.39	86.84
2,039.13	-	155.99	182.09
-	1,387.36	106.13	123.89
4,941.78	-	378.05	441.30
882.62	-	67.52	78.82
1,000.00	-	76.50	89.30
651.25	-	49.82	58.16
2,181.98	-	166.92	194.85
-	26.70	2.04	2.38
3,965.35	-	303.35	354.11
3,965.35	-	303.35	354.11
-	(1,132.47)	(86.63)	(101.13)
650.01	-	49.73	58.05
692.30	-	52.96	61.82

Report on Special Investigation of the
Woodward-Granger Community School District

Improper Salary Payments to Melissa Lantz
For the period December 10, 2012 through August 31, 2017

Authorized Pay Dates	Per Payroll Register				Authorized Gross Pay	Actual Gross Pay in Excess of/(Less than) Authorized
	Check Date	Check Number	Gross Pay			
-	09/21/16	62748	3,482.06	C	-	3,482.06
-	09/26/16	62754	900.02	C	-	900.02
-	09/27/16	62755	3,732.06	C	-	3,732.06
09/30/16	09/30/16	62760	1,325.42	D	2,704.80	(1,379.38)
-	09/30/16	62816	692.30	C	-	692.30
-	10/03/16	62822	2,859.01	C	-	2,859.01
-	10/07/16	62909	938.91	C	-	938.91
-	10/11/16	62916	3,525.81	C	-	3,525.81
10/14/16	10/14/16	62952	1,238.37	D	2,704.80	(1,466.43)
-	10/17/16	63011	3,634.16	C	-	3,634.16
-	10/17/16	63013	3,992.99	C	-	3,992.99
-	10/17/16	63014	3,992.99	C	-	3,992.99
-	10/25/16	63039	789.17	C	-	789.17
10/28/16	10/28/16	63150	1,238.37	D	2,704.80	(1,466.43)
-	11/07/16	63225	3,742.99	C	-	3,742.99
-	11/14/16	63401	1,700.00	C	-	1,700.00
-	11/14/16	63403	550.00	C	-	550.00
11/15/16	11/15/16	63348	2,731.42	D	2,704.80	26.62
-	11/17/16	63527	900.00	C	-	900.00
-	11/21/16	63533	1,900.00	C	-	1,900.00
-	11/25/16	63541	892.30	C	-	892.30
-	11/29/16	63607	1,207.17	C	-	1,207.17
11/30/16	11/30/16	63545	2,731.42	D	2,704.80	26.62
-	12/05/16	63617	4,434.92	C	-	4,434.92
-	12/13/16	63803	2,027.21	C	-	2,027.21
12/15/16	12/15/16	63746	2,684.99	D	2,704.80	(19.81)
-	12/16/16	63874	2,630.79	C	-	2,630.79
-	12/19/16	63875	2,027.21	C	-	2,027.21
-	12/22/16	63878	1,000.00	C	-	1,000.00
-	12/23/16	63886	800.00	C	-	800.00
-	12/27/16	63887	800.00	C	-	800.00
12/30/16	12/30/16	63950	2,735.03	D	2,704.80	30.23

Unauthorized Payment Made		Employer's Share of	
In Addition to Authorized Pay Periods	For Authorized Pay Period	FICA	IPERS
3,482.06	-	266.38	310.95
900.02	-	68.85	80.37
3,732.06	-	285.50	333.27
-	(1,379.38)	(105.52)	(123.18)
692.30	-	52.96	61.82
2,859.01	-	218.71	255.31
938.91	-	71.83	83.84
3,525.81	-	269.72	314.85
-	(1,466.43)	(112.18)	(130.95)
3,634.16	-	278.01	324.53
3,992.99	-	305.46	356.57
3,992.99	-	305.46	356.57
789.17	-	60.37	70.47
-	(1,466.43)	(112.18)	(130.95)
3,742.99	-	286.34	334.25
1,700.00	-	130.05	151.81
550.00	-	42.08	49.12
-	26.62	2.04	2.38
900.00	-	68.85	80.37
1,900.00	-	145.35	169.67
892.30	-	68.26	79.68
1,207.17	-	92.35	107.80
-	26.62	2.04	2.38
4,434.92	-	339.27	396.04
2,027.21	-	155.08	181.03
-	(19.81)	(1.52)	(1.77)
2,630.79	-	201.26	234.93
2,027.21	-	155.08	181.03
1,000.00	-	76.50	89.30
800.00	-	61.20	71.44
800.00	-	61.20	71.44
-	30.23	2.31	2.70

Report on Special Investigation of the
Woodward-Granger Community School District

Improper Salary Payments to Melissa Lantz
For the period December 10, 2012 through August 31, 2017

Authorized Pay Dates	Per Payroll Register				Authorized Gross Pay	Actual Gross Pay in Excess of/(Less than) Authorized
	Check Date	Check Number	Gross Pay			
-	01/03/17	64006	2,749.37	C	-	2,749.37
-	01/09/17	64022	3,149.37	C	-	3,149.37
-	01/12/17	64197	4,400.00	C	-	4,400.00
01/13/17	01/13/17	64143	3,149.36	D	3,061.46	87.90
-	01/17/17	64205	1,000.00	C	-	1,000.00
-	01/18/17	64206	2,400.00	C	-	2,400.00
-	01/23/17	64210	695.83	C	-	695.83
01/30/17	01/30/17	64345	4,627.30	D	3,061.46	1,565.84
-	01/30/17	64397	2,300.00	C	-	2,300.00
-	02/07/17	64420	2,000.00	C	-	2,000.00
-	02/09/17	64424	6,500.00	C	-	6,500.00
02/15/17	02/15/17	64544	3,088.09	D	3,061.46	26.63
-	02/15/17	64715	2,400.00	C	-	2,400.00
-	02/23/17	64725	3,500.00	C	-	3,500.00
02/28/17	02/28/17	64750	3,088.09	D	3,061.46	26.63
-	03/01/17	64819	3,000.00	C	-	3,000.00
-	03/06/17	64870	4,130.40	C	-	4,130.40
-	03/09/17	64888	1,000.00	C	-	1,000.00
-	03/13/17	64891	650.02	C	-	650.02
03/15/17	03/15/17	64955	3,088.10	D	3,061.46	26.64
-	03/21/17	65009	2,395.79	C	-	2,395.79
-	03/23/17	65010	2,000.00	C	-	2,000.00
03/30/17	04/01/17	65228	3,088.09	C	3,061.46	26.63
-	04/10/17	65326	3,088.10	C	-	3,088.10
04/14/17	04/14/17	65364	3,088.10	D	3,061.46	26.64
-	04/17/17	65419	2,395.80	C	-	2,395.80
-	04/19/17	65431	3,088.10	C	-	3,088.10
-	04/24/17	65439	1,890.21	C	-	1,890.21
-	04/27/17	65623	692.30	C	-	692.30
04/28/17	04/28/17	65567	1,890.20	D	3,061.46	(1,171.26)
-	04/28/17	65622	1,000.00	C	-	1,000.00
-	05/02/17	65642	2,200.00	C	-	2,200.00

Unauthorized Payment Made		Employer's Share of	
In Addition to Authorized Pay Periods	For Authorized Pay Period	FICA	IPERS
2,749.37	-	210.33	245.52
3,149.37	-	240.93	281.24
4,400.00	-	336.60	392.92
-	87.90	6.72	7.85
1,000.00	-	76.50	89.30
2,400.00	-	183.60	214.32
695.83	-	53.23	62.14
-	1,565.84	119.79	139.83
2,300.00	-	175.95	205.39
2,000.00	-	153.00	178.60
6,500.00	-	497.25	580.45
-	26.63	2.04	2.38
2,400.00	-	183.60	214.32
3,500.00	-	267.75	312.55
-	26.63	2.04	2.38
3,000.00	-	229.50	267.90
4,130.40	-	315.90	368.84
1,000.00	-	76.50	89.30
650.02	-	49.73	58.05
-	26.64	2.04	2.38
2,395.79	-	183.28	213.94
2,000.00	-	153.00	178.60
-	26.63	2.04	2.38
3,088.10	-	236.24	275.77
-	26.64	2.04	2.38
2,395.80	-	183.28	213.94
3,088.10	-	236.24	275.77
1,890.21	-	144.60	168.80
692.30	-	52.96	61.82
-	(1,171.26)	(89.60)	(104.59)
1,000.00	-	76.50	89.30
2,200.00	-	168.30	196.46

Report on Special Investigation of the
Woodward-Granger Community School District

Improper Salary Payments to Melissa Lantz
For the period December 10, 2012 through August 31, 2017

Authorized Pay Dates	Per Payroll Register				Authorized Gross Pay	Actual Gross Pay in Excess of/(Less than) Authorized
	Check Date	Check Number	Gross Pay			
-	05/09/17	65651	2,395.79	C	-	2,395.79
05/15/17	05/15/17	65777	3,088.09	D	3,061.46	26.63
-	05/15/17	65843	2,395.79	C	-	2,395.79
-	05/15/17	65853	4,405.42	C	-	4,405.42
-	05/16/17	65850	5,766.61	C	-	5,766.61
-	05/22/17	65859	1,000.00	C	-	1,000.00
05/30/17	05/30/17	65989	3,305.89	D	3,061.46	244.43
-	06/01/17	66057	4,500.00	C	-	4,500.00
-	06/06/17	66065	2,000.00	C	-	2,000.00
-	06/12/17	66076	3,000.00	C	-	3,000.00
06/15/17	06/15/17	66200	3,305.90	D	3,061.46	244.44
-	06/19/17	66339	2,613.59	C	-	2,613.59
06/30/17	06/30/17	66400	3,305.88	D	3,061.46	244.42
-	07/03/17	66526	3,749.50	C	-	3,749.50
-	07/06/17	66527	3,000.00	C	-	3,000.00
-	07/10/17	66539	1,700.00	C	-	1,700.00
-	07/10/17	66545	737.97	C	-	737.97
-	07/12/17	66569	984.12	C	-	984.12
07/14/17	07/14/17	66591	3,220.26	D	3,158.25	62.01
-	07/17/17	66659	3,220.25	C	-	3,220.25
-	07/20/17	66662	2,482.29	C	-	2,482.29
07/28/17	07/28/17	66779	3,220.26	D	3,158.25	62.01
-	08/02/17	66845	3,220.26	C	-	3,220.26
08/15/17	08/15/17	66969	3,220.25	D	3,158.25	62.00
Totals			\$ 341,213.02		128,561.83	212,651.19

D - Direct Deposit
C - Check

Unauthorized Payment Made		Employer's Share of	
In Addition to Authorized Pay Periods	For Authorized Pay Period	FICA	IPERS
2,395.79	-	183.28	213.94
-	26.63	2.04	2.38
2,395.79	-	183.28	213.94
4,405.42	-	337.01	393.40
5,766.61	-	441.15	514.96
1,000.00	-	76.50	89.30
-	244.43	18.70	21.83
4,500.00	-	344.25	401.85
2,000.00	-	153.00	178.60
3,000.00	-	229.50	267.90
-	244.44	18.70	21.83
2,613.59	-	199.94	233.39
-	244.42	18.70	21.83
3,749.50	-	286.84	334.83
3,000.00	-	229.50	267.90
1,700.00	-	130.05	151.81
737.97	-	56.45	65.90
984.12	-	75.29	87.88
-	62.01	4.74	5.54
3,220.25	-	246.35	287.57
2,482.29	-	189.90	221.67
-	62.01	4.74	5.54
3,220.26	-	246.35	287.57
-	62.00	4.74	5.54
216,652.44	(4,001.25)	16,267.75	18,989.77

Report on Special Investigation of the
Woodward-Granger Community School District

Improper Health and Dental Insurance Premiums
For the period December 10, 2012 through August 31, 2017

Individual	Coverage	Employment End Date	Date Coverage Ended	
			Should Have Been	Actual
Former Employee #1	250 Medical Single	01/31/17	01/31/17	04/30/17
Former Employee #2	250 Medical Single	08/31/16	08/31/16	04/30/17
Former Employee #2	Dental Single	08/31/16	08/31/16	08/31/17
Former Employee #3	250 Medical Single	02/13/17	02/28/17	04/30/17
Former Employee #4	250 Medical Single	02/09/17	02/28/17	04/30/17
Former Employee #5	Dental Family	01/31/17	01/31/17	08/31/17
Former Employee #6	Dental Family	08/31/16	08/31/16	08/31/17

Cost of Monthly Premium	Additional Months of Coverage	Total Cost
\$ 625.84	3	\$ 1,877.52
625.84	8	5,006.72
31.18	12	374.16
625.84	2	1,251.68
625.84	2	1,251.68
112.22	7	785.54
112.22	12	1,346.64
		<hr/>
		\$ 11,893.94
		<hr/> <hr/>

Exhibit D

Report on Special Investigation of the
Woodward-Granger Community School District

Selected Deposits in Melissa Lantz's Personal Bank Account
For the period December 10, 2012 through August 31, 2017

Date	Description	Cash	Unknown
12/14/12	ATM Cash Deposit - State Street Granger IA	\$ 200.00	-
12/17/12	ATM Cash Deposit - State Street Granger IA	600.00	-
12/26/12	ATM Cash Deposit - State Street Granger IA	200.00	-
12/27/12	ATM Cash Deposit - State Street Granger IA	120.00	-
12/27/12	ATM Cash Deposit - State Street Granger IA	200.00	-
12/31/12	Deposit Made in a Branch/Store	66.00	-
01/04/13	Deposit Made in a Branch/Store	100.00	-
01/07/13	Deposit Made in a Branch/Store	300.00	-
01/25/13	Deposit Made in a Branch/Store	600.00	-
02/07/13	Deposit Made in a Branch/Store	50.00	-
02/12/13	Deposit Made in a Branch/Store	57.00	-
02/13/13	Deposit Made in a Branch/Store	200.00	-
02/15/13	Deposit Made in a Branch/Store	400.00	-
02/21/13	Deposit Made in a Branch/Store	1,250.00	-
02/25/13	ATM Cash Deposit - State Street Granger IA	200.00	-
02/26/13	ATM Cash Deposit - State Street Granger IA	120.00	-
03/05/13	Deposit	436.00	-
03/12/13	ATM Cash Deposit - State Street Granger IA	160.00	-
03/13/13	ATM Cash Deposit - State Street Granger IA	63.00	-
03/25/13	Deposit	200.00	-
03/26/13	Deposit	320.00	-
03/28/13	Deposit	73.00	-
04/04/13	Deposit Made in a Branch/Store	14.00	-
04/16/13	ATM Check Deposit - State Street Granger IA	700.00	-
04/23/13	ATM Cash Deposit - State Street Granger IA	340.00	-
04/25/13	ATM Cash Deposit - State Street Granger IA	200.00	-
04/29/13	Deposit made in a Branch/Store	180.00	-
05/01/13	Deposit made in a Branch/Store	200.00	-
05/06/13	Deposit	100.00	-
05/07/13	Deposit made in a Branch/Store	400.00	-
05/09/13	Deposit made in a Branch/Store	100.00	-
05/09/13	Deposit	120.00	-
05/13/13	Deposit made in a Branch/Store	31.00	-
05/15/13	Deposit made in a Branch/Store	1,000.00	-
05/28/13	Deposit made in a Branch/Store	200.00	-
05/29/13	Deposit made in a branch/store	680.00	-

Report on Special Investigation of the
Woodward-Granger Community School District

Selected Deposits in Melissa Lantz's Personal Bank Account
For the period December 10, 2012 through August 31, 2017

Date	Description	Cash	Unknown
06/17/13	Deposit	600.00	-
06/24/13	ATM Cash Deposit - 655 S. 50th St. W.Des Moines IA	1,620.00	-
06/27/13	Deposit	140.00	-
06/28/13	Deposit	500.00	-
07/25/13	Deposit made in a branch/store	300.00	-
07/29/13	Deposit made in a branch/store	150.00	-
08/06/13	Deposit made in a branch/store	500.00	-
08/12/13	Deposit	300.00	-
08/13/13	Deposit made in a branch/store	100.00	-
08/15/13	Regular Deposit	100.00	-
09/11/13	Regular Deposit	250.00	-
10/01/13	Regular Deposit	200.00	-
10/02/13	Regular Deposit	60.00	-
10/08/13	Regular Deposit	20.00	-
10/28/13	Regular Deposit	40.00	-
10/29/13	Regular Deposit	26.57	-
10/31/13	Regular Deposit	22.35	-
11/14/13	Regular Deposit	-	800.00
12/05/13	Regular Deposit	231.00	-
01/16/14	Regular Deposit	300.00	-
01/17/14	Regular Deposit	300.00	-
01/21/14	Regular Deposit	300.00	-
02/19/14	Regular Deposit	200.00	-
02/26/14	Regular Deposit	200.00	-
03/06/14	Regular Deposit	200.00	-
03/10/14	Regular Deposit	345.00	-
03/18/14	Regular Deposit	200.00	-
03/19/14	Regular Deposit	90.00	-
03/24/14	Regular Deposit	250.00	-
04/08/14	Regular Deposit	400.00	-
06/26/14	Regular Deposit	40.00	-
06/30/14	Regular Deposit	50.00	-
07/30/14	Regular Deposit	180.00	-
08/04/14	Regular Deposit	390.25	-
08/15/14	Regular Deposit	200.00	-
09/05/14	Regular Deposit	1,100.00	-

Exhibit D

Report on Special Investigation of the
Woodward-Granger Community School District

Selected Deposits in Melissa Lantz's Personal Bank Account
For the period December 10, 2012 through August 31, 2017

Date	Description	Cash	Unknown
09/25/14	Regular Deposit	160.00	-
09/26/14	Regular Deposit	200.00	-
10/27/14	Regular Deposit	180.00	-
10/28/14	Regular Deposit	140.00	-
11/28/14	Regular Deposit	160.00	-
12/01/14	Earlham Bank	-	30.00
12/01/14	Earlham Bank	-	200.00
04/30/15	Earlham Bank	-	300.00
05/01/15	Earlham Bank	-	300.00
05/01/15	Earlham Bank	-	900.00
05/20/15	Earlham Bank	-	10.00
06/19/15	Regular Deposit	1,000.00	-
06/29/15	217 S Main Street	-	200.00
06/30/15	217 S Main Street	-	200.00
07/28/15	217 S Main Street	160.00	-
08/18/15	Regular Deposit	300.00	-
01/19/16	1705 Burr Oak Blvd	1,168.00	-
02/23/16	Regular Deposit	159.63	-
03/03/16	217 S Main Street	40.00	-
03/29/16	217 S Main Street	700.00	-
04/26/16	Regular Deposit	200.00	-
07/14/16	Regular Deposit	100.00	-
10/28/16	1705 Burr Oak Blvd	100.00	-
11/29/16	1705 Burr Oak Blvd	500.00	-
12/02/16	Regular Deposit	200.00	-
01/12/17	1705 Burr Oak Blvd	50.00	-
01/18/17	Regular Deposit	900.00	-
01/23/17	217 S Main Street	700.00	-
02/15/17	1705 Burr Oak Blvd	500.00	-
03/10/17	1705 Burr Oak Blvd	83.00	-
04/05/17	217 S Main Street	200.00	-
05/01/17	217 S Main Street	31.50	-
05/08/17	217 S Main Street	340.00	-
05/30/17	1705 Burr Oak Blvd	100.00	-
06/06/17	217 S Main Street	14.00	-
06/19/17	1705 Burr Oak Blvd	90.00	-

Report on Special Investigation of the
Woodward-Granger Community School District

Selected Deposits in Melissa Lantz's Personal Bank Account
For the period December 10, 2012 through August 31, 2017


Date	Description	Cash	Unknown
06/30/17	217 S Main Street	600.00	-
08/08/17	Regular Deposit	266.00	-
Total		<u>\$ 29,427.30</u>	<u>2,940.00</u>

Report on Special Investigation of the
Woodward-Granger Community School District

Staff

This special investigation was performed by:

Annette K. Campbell, CPA, Director
Melissa J. Finestead, CFE, Senior II Auditor


Tamera S. Kusian, CPA
Deputy Auditor of State

Appendices

Report on Special Investigation of the
Woodward-Granger Community School District

Copies of Letters Regarding Administrative Leave Notice and Resignation

Woodward-Granger Community School District

Serving the Communities of Woodward and Granger

Bradley Anderson
Superintendent
1904 State Street
Granger, Iowa 50109
515-999-8022
Fax 515-999-8025

Robb Boley
High School Principal
306 West Third Street
Woodward, Iowa 50276
515-438-2115
Fax 515-438-2497

Amy Bidwell
MS Principal
306 West Third Street
Woodward, Iowa 50276
515-438-4263
Fax 515-438-2497

Matt Brummond
Pk-5 Elem. Principal
2200 State Street
Granger, Iowa 50109
515-999-2357 or 999-8058
Fax 515-999-9299

Rebekka Maass
Grandwood Principal
1251 334th Street
Woodward, Iowa 50276
515-438-3240
Fax 515-438-3414

Building Futures, One Student at a Time

To: Melissa Lantz
From: Superintendent Brad Anderson
Date: August 4, 2017
Re: Administrative Leave

We have received information regarding certain concerns which require further investigation. The concerns relate to possible unauthorized disbursements from District accounts. It is in everyone's best interest that the School District promptly investigates and resolves these concerns.

Effective today, you are on administrative leave with pay. We expect that this administrative leave will continue until the investigation is complete. You are hereby relieved of any and all work duties and assignments, except as directed by me, and you will remain on administrative leave until further notice from me. Please be advised that the School District does not consider this administrative leave pending an investigation to be disciplinary in nature.

While the review is pending, you are not to be on any school premises, access any school accounts, or access any information technology systems. You should identify for me all District property or papes in your possession. I will make arrangements to retrieve these items. You are not to have any contact with any staff during this investigation. Do not delete or destroy any records in your possession relating to the District. If you believe that you need to come to a school premises, access any system information, or speak with anyone from the school district, please contact me and I will make any necessary arrangements.

If you violate any of the directives in this memo, you will be subject to disciplinary action, up to and including immediate termination. All communication with the School District regarding this matter should be done through me.

You may call me with any questions or other concerns while this administrative leave is in force.



Brad Anderson, Superintendent
Woodward-Granger CSD
1904 State Street
Granger, IA 50109
(515) 999-8022
bradanderson@wghawks.school

Report on Special Investigation of the
Woodward-Granger Community School District

Copies of Letters Regarding Administrative Leave Notice and Resignation



McCARTHY & HAMROCK P.C.

Attorneys at Law

August 10, 2017

Brad Anderson, Superintendent
Woodward-Granger CSD
1904 State Street
Granger, IA 50109

Re: *Melissa Lantz*

Dear Mr. Anderson:

On behalf of my client, Melissa Lantz I would like to hereby inform you that she is submitting her resignation with respect to her employment with the Woodward-Granger Community School District. This resignation shall be effective immediately.

Please let me know should you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'Aaron D. Hamrock', with a large, stylized flourish at the end.

Aaron D. Hamrock

Approved as to form and content:

A handwritten signature in black ink, appearing to read 'Melissa Lantz', written in a cursive style.

Melissa Lantz

TIMOTHY MCCARTHY II ■ AARON D. HAMROCK

1200 Valley West Drive, Suite 400 West Des Moines, Iowa 50266
Phone: (515) 279-9700 Fax: (515) 279-8355

Report on Special Investigation of the
Woodward-Granger Community School District

Copies of Certain Checks

THE FACE OF THIS DOCUMENT HAS A COLORED BACKGROUND ON WHITE PAPER • THIS DOCUMENT CONTAINS A TRUE WATERMARK - HOLD UP TO THE LIGHT TO VERIFY.

Payroll Warrant

Woodward-Granger
Community School District
1904 State St.
Granger IA 50109

Wells Fargo Bank Iowa, N.A.
2000 State St - PO Box 7
Granger IA 50109
515-999-2553

Check #: 64424
33-22/730

VOID IF NOT CASHED WITHIN 90 DAYS

Date: 02/09/2017
Amount: ****4,516.69

PAY Four thousand five hundred sixteen and 69/100

TO THE ORDER OF
Melissa L. Lantz
306 S Main St
Woodward IA 50276

*Rebecca Carole
Melissa Lantz*

⑈ 6 4 4 2 4 ⑈

ENCOUNTER MACHINE

EARLEHAM SAVINGS BANK
1133 SAVINGS BANK
FEB 13 2017
TERMINAL #611375

Melissa Lantz

FEB 13 2017
#61008

FEDERAL RESERVE BOARD OF GOVERNORS REG. CC

Report on Special Investigation of the
Woodward-Granger Community School District

Copies of Certain Checks

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Woodward-Granger
Community School District
1904 State St.
Granger IA 50109

Payroll Warrant
Wells Fargo Bank Iowa, N.A.
2000 State St - PO Box 7
Granger IA 50109
515-999-2553

Check #: 64715
33-22730
VOID IF NOT CASHED WITHIN 90 DAYS

Date: 02/15/2017
Amount: ****1,712.92

PAY **One thousand seven hundred twelve and 92/100**

TO THE ORDER OF **Melissa L. Lantz**
306 S Main St
Woodward IA 50276

Rebecca Carver
Melissa Lantz

Security features are included. Details on back.

⑈ 6 4 7 1 5 ⑈

FEDERAL RESERVE BOARD OF GOVERNORS REG. CC

TERMINAL #618033

073921158

EARLHAM SAVINGS BANK

Melissa Lantz

02/15/2017

19

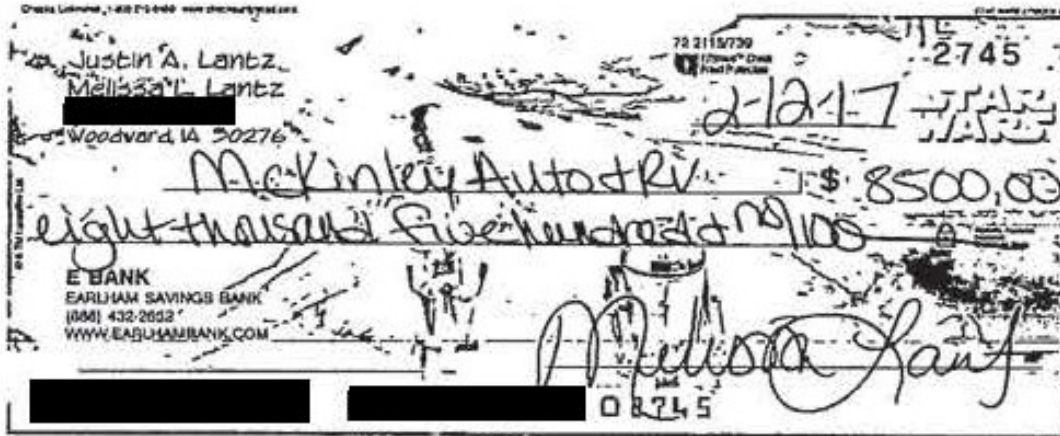
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FEDERAL RESERVE BOARD OF GOVERNORS REG. CC

Appendix 2

Report on Special Investigation of the
Woodward-Granger Community School District

Copies of Certain Checks



Report on Special Investigation of the
Woodward-Granger Community School District

Copy of Email Received from Melissa Lantz's Attorney

Melissa Finestead - Missy Lantz - Follow up

From: "Todd M. Lantz" [REDACTED]
To: "Swigart, Chris [DPS]" [REDACTED]
Date: 3/22/2018 1:03 PM
Subject: Missy Lantz - Follow up

Chris and Melissa:

As a follow up to our meeting today, Missy wanted to add a couple of points regarding the topic of her overtime hours as a non-salaried employee. She is very surprised that anyone has questioned how hard she worked for the school district and whether her overtime was authorized. Numerous people, including school principals and other office staff, made comments to Missy over the years about how hard she worked. Many district employees communicated with her during the evenings. They not only knew that Missy would respond—it was expected because she frequently worked long hours. Missy does not recall a single time that the Superintendent ever denied or rejected her overtime hours. Nor did he criticize or rebuke her in any way for working overtime. Quite the opposite, the Superintendent expressed his appreciation for how hard Missy worked for the benefit of the school district. Any suggestion that Missy's overtime pay was unearned, unauthorized, or otherwise improper is not true.

Missy appreciated the opportunity to visit with you today, even though it was obviously a difficult conversation for her. We hope that you found her to be fully cooperative with your investigation. She understands that she demonstrated very poor judgment and acted wrongly. As you saw today, she accepts responsibility for her actions and is deeply remorseful.

-Todd



Todd Lantz / [The Weinhardt Law Firm](#)
2600 Grand Avenue, Suite 450, Des Moines, IA 50312
Phone: [\(515\) 564-5276](tel:5155645276)
[E-mail](#) | [Bio](#)

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