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NEWS RELEASE

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FOR RELEASE October 24, 2018

Auditor of State Mary Mosiman today released a report on a special investigation of the Sioux City Community School District (District) for the period October 31, 2013 through November 30, 2017. The special investigation was requested by District officials as a result of concerns regarding bank accounts established and maintained outside of the District's financial reporting process for the East High School Special Olympics (EHS SO) organization. The bank accounts were established by Melissa Dickerson, a former District employee.

Mosiman reported the special investigation identified \$17,011.20 of undeposited collections to unauthorized bank accounts Ms. Dickerson established at Wells Fargo for the EHS SO organization and improper and unsupported disbursements from a bank account held at Security National Bank (SNB) for Sioux City Special Olympics. Because the activity in the SNB account is very similar in nature to the accounts Ms. Dickerson improperly established at Wells Fargo for EHS SO, Mosiman reported it is not readily apparent if any funds deposited to the SNB account belonged to EHS SO. The findings from the Wells Fargo and SNB accounts include the following.

- Wells Fargo accounts – Mosiman reported EHS SO collections were deposited in unauthorized Wells Fargo bank accounts rather than with the District. The \$8,644.67 of undeposited collections identified includes \$8,644.21 of deposits and \$.46 of interest. Mosiman reported it is not possible to determine if additional amounts were collected for EHS SO but not deposited because sufficient records were not available.

Mosiman also reported disbursements from the unauthorized bank accounts at Wells Fargo prior to May 1, 2014 were reasonable for the operations of EHS SO. However, \$2,009.30 of improper disbursements and \$620.16 of unsupported disbursements after May 1, 2014 were identified. The improper disbursements included cash withdrawals, payments of personal credit card bills, and personal purchases. The unsupported disbursements included payments to retail vendors.

The improper and unsupported disbursements were from the \$8,644.67 improperly deposited to the unauthorized accounts established at Wells Fargo for EHS SO.

- Security National Bank account – Ms. Dickerson was the sole authorized signer on an account held at Security National Bank in the name “Sioux City Special Olympics.” The account was established with the District’s Federal Identification Number in 1990 by a former District employee. Mosiman reported it is not possible to determine what amount, if any, of the deposits to the account should have been deposited with the District for EHS SO.

The \$6,588.53 of improper disbursements identified from the SNB account include cash withdrawals, payment of personal credit card bills, and purchases made during a personal trip. In addition, the \$1,778.00 of unsupported disbursements identified includes payments to a grocery store and retail vendors.

Mosiman reported it was not possible to determine if additional amounts were improperly disbursed from the Wells Fargo and SNB bank accounts because sufficient records were not available.

The report includes a recommendation to ensure all bank accounts associated with the District or District activities are reviewed and approved by the Board prior to their establishment and, if appropriate, activity is reflected in the District’s Student Activity Fund in accordance with section 291.6 of the *Code of Iowa*. Mosiman also recommended the District ensure all fundraising events are properly approved and sufficient supporting documentation is maintained for all fundraising activities and disbursements.

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

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**REPORT ON SPECIAL INVESTIGATION OF THE
SIOUX CITY COMMUNITY SCHOOL DISTRICT
EAST HIGH SCHOOL SPECIAL OLYMPICS**

**FOR THE PERIOD
OCTOBER 31, 2013 THROUGH NOVEMBER 30, 2017**

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Auditor of State's Report

To the Board of Education of the
Sioux City Community School District:

As a result of District officials concerns regarding certain unauthorized bank accounts, we conducted a special investigation of the Sioux City Community School District (District), East High School Special Olympics (EHS SO) organization. We have applied certain tests and procedures to these selected bank accounts of the District for the period October 31, 2013 through November 30, 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 and other staff associated with Special Olympics operations to obtain an understanding of the EHS SO operations.
- 3) Reviewed activity in bank accounts established for the EHS SO organization by Melissa Dickerson, a former District employee, to identify any unusual activity. We also reviewed activity in a bank account held by Ms. Dickerson in the name of Sioux City Special Olympics.
- 4) Examined available supporting documentation obtained from the District to determine if disbursements were supported by adequate documentation and appropriate for EHS SO operations.
- 5) Interviewed District officials and staff to determine the propriety of certain disbursements and receipts.
- 6) Obtained and reviewed information from Wal-Mart and Sam's Club for purchases to determine the propriety of the purchases.

These procedures identified \$17,011.20 of undeposited collections and improper and unsupported disbursements. This amount includes \$8,644.67 of EHS SO collections which were deposited to unauthorized bank accounts established by Ms. Dickerson and improper and unsupported disbursements of \$6,588.53 and \$1,778.00, respectively, which were made from an account Ms. Dickerson held for "Sioux City Special Olympics." We were unable to determine if additional amounts were not properly deposited or if additional amounts were improperly disbursed because adequate records were not available. Our detailed findings and recommendations are presented in the Investigative Summary and **Exhibits A** through **E** of this 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 Sioux City Community School District, other matters might have come to our attention that would have been reported to you.

Copies of this report have been filed with the Woodbury County Attorney's Office, the Attorney General's Office, the Sioux City Police Department, and the Division of Criminal Investigation.

We would like to acknowledge the assistance extended to us by personnel of the Sioux City Community School District during the course of our investigation.


MARY MOSIMAN, CPA
Auditor of State

October 6, 2018

Report on Special Investigation of the
Sioux City Community School District
East High School Special Olympics

Investigative Summary

Background Information

The Sioux City Community School District (District) serves approximately 14,500 kindergarten through 12th grade students in Woodbury County. The District includes an early childhood center, 13 elementary schools, 3 middle schools, and 3 high schools. In addition, the District has a 7 member Board which meets twice each month.

The District provides support to the sports, music, and arts programs available for student participation in the District. Each student activity is overseen by an adult sponsor. The sponsors may be District faculty members or other adults hired by the District. Individual accounts are maintained within the District's accounting system for each activity. Policies established by the District prohibit the sponsors from establishing bank accounts for the activities outside the District's accounting system. To ensure compliance with section 291.6 of the *Code of Iowa* which requires the District to keep an accurate account of all expenses incurred, all financial transactions are to be recorded in the District's activity fund.

Prior to her resignation on November 30, 2017, Melissa Dickerson was a teacher in the District. According to District officials, she became the sponsor of the East High School Special Olympics organization (EHS SO) in late 2013. As the sponsor, Ms. Dickerson was responsible for ensuring all collections from fundraisers for EHS SO were properly deposited with the District and all disbursements for EHS SO complied with District policy which required review and approval.

In November 2017, a representative of Wells Fargo contacted the District's Chief Financial Officer (CFO) and informed her a District bank account had been overdrawn. The District's CFO was not aware of any unauthorized District bank accounts held at Wells Fargo and proceeded to ask questions regarding the account. The Wells Fargo representative confirmed to the CFO the account was established with the District's federal identification number and included the name "East High Special Olympics." The Wells Fargo representative also informed the CFO the authorized signer on the account was Ms. Dickerson. However, the representative did not provide additional information regarding the account once it was determined the CFO was not an authorized signer on the account.

As a result of the notification from Wells Fargo, the District's CFO contacted the District's Human Resources officials and an interview was arranged with Ms. Dickerson to discuss the separately maintained bank account. According to District officials, Ms. Dickerson electronically accessed the bank account during the interview and printed bank statements from 3 unauthorized bank accounts opened on October 31, 2013 through the date of the meeting.

District officials also stated Ms. Dickerson reviewed the bank statements with District officials during the meeting and identified personal disbursements from the accounts. During the meeting, Ms. Dickerson estimated approximately \$3,000.00 of personal disbursements had been made from the bank accounts. According to the CFO, District officials requested Ms. Dickerson gather all supporting documentation for the disbursements from the accounts and requested she submit them by the following Monday. Ms. Dickerson subsequently resigned effective November 30, 2017.

In accordance with Chapter 11 of the *Code of Iowa*, the CFO notified the Office of Auditor of State of the concerns identified regarding the unauthorized bank accounts and improper disbursements identified by Ms. Dickerson. As a result, the Office of Auditor of State reviewed the District's

activities accounts and separately maintained funds. We performed the procedures detailed in the Auditor of State's report for the period October 31, 2013 through November 30, 2017.

Detailed Findings

The procedures performed identified \$17,011.20 of undeposited collections and improper and unsupported disbursements. The undeposited collections were identified during our review of unauthorized bank accounts established by Ms. Dickerson at Wells Fargo. The improper and unsupported disbursements were identified during our review of a bank account held at Security National Bank for which Ms. Dickerson was the authorized signer. The findings from these bank accounts are summarized in the following paragraphs:

- **Wells Fargo accounts** – Instead of depositing EHS SO collections with the District, Ms. Dickerson improperly deposited them in 3 unauthorized bank accounts she established at Wells Fargo.

The \$8,644.67 of undeposited collections identified are composed of deposits to the unauthorized bank accounts and interest earned on the funds in the accounts. Because the amounts deposited in the accounts were for the EHS SO organization, they should have been deposited with the District. We are unable to determine if additional collections were collected for the organization but not deposited because sufficient records were not available.

Disbursements prior to May 1, 2014 from the unauthorized bank accounts at Wells Fargo were reasonable for the operations of EHS SO. However, we identified \$2,009.30 of improper disbursements and \$620.16 of unsupported disbursements from the accounts after May 1, 2014. These disbursements were made from the amounts improperly deposited to the unauthorized accounts established at Wells Fargo.

- **Security National Bank account** – Ms. Dickerson was the sole authorized signer on an account held at Security National Bank in the name “Sioux City Special Olympics.” The account was established with the District's Federal Identification Number in 1990 by a former District employee. Because the activity in the account is very similar in nature to the accounts Ms. Dickerson improperly established at Wells Fargo, it is not readily apparent which organization the funds deposited to the account belonged to. As a result, we are unable to determine what amount, if any, of the deposits to the account should have been deposited with the District.

As previously stated, the \$6,588.53 of improper disbursements and \$1,778.00 of unsupported disbursements identified were from the Security National Bank account. The improper disbursements included payments which were personal in nature.

We were unable to determine if additional amounts were improperly disbursed from the Wells Fargo and SNB bank accounts because adequate records were not available.

Table 1 lists the bank accounts improperly established at Wells Fargo and the account held at Security National Bank. The **Table** also summarizes the amounts improperly deposited to the Wells Fargo bank accounts and the improper and unsupported disbursements from the account held at Security National Bank. Of the amounts improperly deposited to the Wells Fargo bank accounts, we identified disbursements which were personal in nature. These disbursements are also explained in detail in this report.

Table 1

Description	Undeposited Collections	Disbursements		Total
		Improper	Unsupported	
<u>Wells Fargo bank accounts:</u>				
East High Special Olympics - Checking	\$ 7,404.10	-	-	\$ 7,404.10
East High Special Olympics - Savings	50.46	-	-	50.46
Friendship Connections	1,190.11	-	-	1,190.11
Subtotal	8,644.67	-	-	8,644.67
<u>Security National Bank:</u>				
Sioux City Special Olympics	-	6,588.53	1,778.00	8,366.53
Total	\$ 8,644.67	6,588.53	1,778.00	17,011.20

As previously stated, the CFO was contacted by a representative of Wells Fargo in November regarding an overdrawn account. District officials met with Ms. Dickerson regarding the concerns on November 30, 2017 and she resigned effective November 30, 2017. According to Iowa's online court records, the Sioux City Police Department issued a criminal complaint of second degree theft on December 22, 2017. The Office of Auditor of State was initially contacted regarding the concerns on January 2, 2018. Ms. Dickerson no longer worked for the District and had already been interviewed by law enforcement officials by the time the Office of Auditor of State was notified.

We contacted Ms. Dickerson to request a meeting with her; however, messages left on her voicemail were not responded to prior to issuance of this report. All findings are summarized in **Exhibit A** and a detailed explanation of each finding follows.

UNAUTHORIZED BANK ACCOUNTS

As previously stated, individual accounts are maintained within the District's accounting system for each activity. Policies established by the District prohibit coaches and sponsors of student organizations from establishing bank accounts for activities outside the District's accounting system. To ensure compliance with section 291.6 of the *Code of Iowa* which requires the District to keep an accurate account of all expenses incurred, all financial transactions are to be recorded in the District's activity fund. However, an account was not established in the District's accounting system for the Special Olympics organization at East High School.

District officials reported meetings are held each month where attendees are reminded about policies and procedures. In addition, during the first week of each academic year there is a review of the staff handbooks and Board policies. District officials provided us a copy of a PowerPoint® presentation shared with staff which addresses policies regarding fundraising and purchasing requirements.

On October 31, 2013, Ms. Dickerson opened 2 unauthorized checking accounts and an unauthorized savings account at Wells Fargo. As illustrated by **Table 1**, a checking and the savings account included the name "East High Special Olympics" and the second checking account included the name "Friendship Connections."

We obtained copies of monthly statements from District officials for the accounts Ms. Dickerson improperly established at Wells Fargo. According to District officials, Ms. Dickerson accessed the bank accounts electronically and printed the statements during an interview they held with her after being notified by a Wells Fargo representative of an overdrawn account. The address shown on the accounts' monthly statements was the address of East High School; however, we were unable to determine if the statements were mailed to Ms. Dickerson at the school or if she only accessed them electronically.

Ms. Dickerson provided District officials statements which included all activity from the time the accounts were opened on October 31, 2013 through November 30, 2017. However, the statements did not include copies of checks which were redeemed from the checking accounts, deposit slips, or other bank documents.

Based on our review of the bank statements and available supporting documentation obtained from the District, the Friendship Connections account was used to purchase supplies for Halloween, Christmas, and year-end parties as well as for prom pictures for prom for students who participated in the EHS SO organization. Limited documentation was available to determine the source of funds deposited to the account, with the exception of order forms related to prom pictures which were located in Ms. Dickerson's classroom. District officials stated they were not aware of transactions related to Friendship Connections.

Also based on our review of the bank statements and available supporting documentation, the East High Special Olympics checking account was used to purchase sporting apparel, logos for the sporting apparel, an annual banquet to commemorate the Special Olympics season, meals for athletes and sponsors while at Special Olympics events, and party supplies. Limited documentation was available to determine the source of funds deposited to the account, with the exception of certain donations.

The bank statements for the East High Special Olympics savings account show the transactions in the account were limited to transfers between the checking and savings account, a monthly service fee from June through October 2017, and \$.46 of interest. The only deposit to the account was the \$50.00 used to open the account on October 31, 2013.

In addition to the Wells Fargo bank accounts, Ms. Dickerson was the authorized signer on a bank account held at Security National Bank. As illustrated by **Table 1**, the checking account included the name "Sioux City Special Olympics." We obtained copies of monthly statements directly from Security National Bank for the Sioux City Special Olympics checking account held there. In addition, we obtained copies of certain checks which were redeemed from the bank account and deposit slips.

Documentation we obtained from Security National Bank showed the account was established in 1990 with the District's Federal Identification Number. The account was established by an individual who was employed by the District for a period of time and who continued to be on the authorized signer card for the account until the authorized signer was changed on August 8, 2014 to Ms. Dickerson.

The limited documentation available for the deposits made to the account show the source of funds included donations from various organizations such as Wal-Mart, the Knights of Columbus Council, the Iowa State Council, and proceeds from "Awesome Biker Nights" held in Sioux City. Disbursements from the account included payments related to Special Olympics events and payments which were personal in nature.

Based on the total amount of deposits to the account, it is apparent some of the deposits were meant to benefit the Sioux City area Special Olympics organization rather than the EHS SO organization. However, we are unable to determine what portion, if any, of the deposits should have been deposited with the District. In addition, as stated previously, the account was established by an individual who was employed by the District and subsequently turned over to another District employee. It was also established with the District's Tax Identification Number. As a result, it is possible a portion of the account activity should have been processed through the District's accounting system and authorized bank accounts.

Because we are unable to definitively determine if District funds were co-mingled in the account held at Security National Bank, we did not identify the deposits in the account as undeposited District collections. However, because some of the funds used from the account may have been improperly deposited District funds, we have included the improper and unsupported disbursements from the account in this report.

UNDEPOSITED COLLECTIONS

In accordance with Iowa Administrative Code chapter 281-98.70, “Moneys collected through school activities are public funds that are the property of the school district and are under the financial control of the school board.” Iowa Administrative Code chapter 281-98.70 also states, “Prudent and proper accounting of all receipts and expenditures in these accounts is the responsibility of the board. School districts may maintain subsidiary records for student activities if those records are reconciled to the official records on a monthly basis; however, all official accounting records of the student activity fund shall be maintained within the school district’s chart of accounts pursuant to Uniform Financial Accounting for Iowa School District and Area Education Agencies.” Maintaining bank accounts and funds separate from District records does not allow proper review and approval of the collections and disbursements by the Board, as required by section 279.29 of the *Code of Iowa*.

The Iowa Department of Education updated the “Frequently Asked Questions (FAQs) Regarding the Student Activity Fund” on March 23, 2016. Page 3 of the FAQs document specifies:

“Question: May an athletic director, coaching staff, or other activity sponsors or staff establish separate checking accounts for fundraising or other activities related to district athletics? If so, is it okay to use the district’s taxpayer identification number?

Answer: No. An athletic director, coaching staff, or other activity sponsors or staff should not establish separate checking accounts for fundraising, or any other purpose, using the district’s taxpayer identification number or their own personal taxpayer identification number. These individuals should comply with the account procedures established by the district.

If a separate checking account is deemed necessary and appropriate, it should be opened and accounted for through the district’s business office rather than an individual. This allows the district to comply with section 291.6 of the Code of Iowa regarding the duties of the district secretary to “keep an accurate account of all expenses incurred by the corporation, and present the same to the board for audit and payment” pursuant to section 279.29 of the Code of Iowa. This also ensures that proper internal control procedures are in place for compliance and accountability and allows legitimate use of the district’s taxpayer identification number and sales tax exemption on purchases made from this account.

As a recommended practice where possible, districts are encouraged to annually request from banks all accounts which include the district’s tax identification number.”

Wells Fargo Bank Accounts

Ms. Dickerson was responsible for collecting and depositing all proceeds for the EHS SO organization. Because she improperly deposited funds to the 3 unauthorized bank accounts she established at Wells Fargo rather than depositing them to the District, we determined the total amount of the deposits to the 3 accounts. **Table 2** summarizes the deposits to the 3 accounts.

Table 2

Time Period	Friendship Connections Acct XXX548	East High Special Olympics		Total
		Checking Acct XXX055	Savings Acct XXX963*	
Opening deposit	\$ 54.11	897.03	50.00	1,001.14
11/01/13 – 12/31/14	505.00	2,516.55	.11	3,021.66
01/01/15 – 12/31/15	625.00	2,398.17	.12	3,023.29
01/01/16 – 12/31/16	6.00	984.00	.18	990.18
01/01/17 – 12/31/17	-	608.35	.05	608.40
Total	\$ 1,190.11	7,404.10	50.46	8,644.67

* - Other than the opening deposits, all deposits were composed of interest. The 2 checking accounts did not earn any interest.

As illustrated by the **Table**, \$3,021.66 was deposited during 2014 and \$3,023.29 was deposited during 2015. However, the amounts deposited during 2016 and 2017 were significantly less than these totals. As previously stated, potential revenue sources for the EHS SO organization include donations and fundraisers; however, limited documentation was available regarding the deposits made to the bank accounts.

The \$8,644.67 deposited to the 3 accounts includes \$.46 of interest and \$8,644.21 of deposits. As previously stated, the \$8,644.67 of deposits and interest to the unauthorized bank accounts established at Wells Fargo should have been deposited with the District. Because the collections which should have been deposited with the District were improperly deposited to the Wells Fargo bank accounts, the \$8,644.67 of deposits are included **Exhibit A** as undeposited collections.

District officials stated all members of the District who desire to support the District through a fundraiser fill out and submit a “Fund Raising Request Form.” The form is to be submitted to the Principal prior to the beginning the fundraiser. According to the East High School Principal and Activities Director, Ms. Dickerson did not submit any Fund Raising Request Forms. She also stated they did not find this unusual because they were not aware of any fundraising events sponsored by the EHS SO organization.

Because sufficient records were not maintained for amounts collected on behalf of the EHS SO organization, we were unable to determine if all collections were properly deposited and what amount, if any, was not properly deposited.

Security National Bank Account

As previously stated, the limited documentation available for the deposits made to the Security National Bank account show the source of funds included donations for various organizations such as Wal-Mart, the Knights of Columbus Council, the Iowa State Council, and proceeds from “Awesome Biker Nights” held in Sioux City.

Also as previously stated, the authorized signer on the account switched from the individual who opened the account to Ms. Dickerson effective August 8, 2014. To determine if the amounts deposited to the bank account varied significantly between the periods when the account was held by the 2 authorized signers, we compared the average monthly deposits made from October 31, 2013 through August 7, 2014 to the deposits made from August 8, 2014 through November 30, 2017. The comparison is illustrated in **Table 3**.

Time Period	Number of Months	Recorded Collections	Average Monthly Deposits
10/31/13 – 08/07/14	9	\$ 10,472.03	1,163.56
08/08/14 – 11/30/17	40	23,782.53	594.56

As illustrated by **Table 3**, the average monthly deposits decreased significantly during the period Ms. Dickerson was the authorized signer on the bank account. However, due to the fluctuating nature of donations and collections received from fundraising, we were unable to determine what amount, if any, was not properly deposited to the account. As a result, we have not included an amount in **Exhibit A** for undeposited collections to the account held at Security National Bank.

IMPROPER AND UNSUPPORTED DISBURSEMENTS

During our testing of bank statement activity for the 3 unauthorized accounts Ms. Dickerson established at Wells Fargo and the account she held at Security National Bank, we identified a number of unusual disbursements, including cash withdrawals, payments to unusual vendors, and disbursements which were not related to EHS SO operations. According to District officials

we spoke with, donations and other collections related to EHS SO are to be deposited in authorized District accounts and payment of EHS SO obligations should be made with a check issued by the District. EHS SO obligations should not be paid with cash and all EHS SO financial transactions should be included in the District’s accounting system.

We also examined supporting documentation District officials provided, such as documents related to a limited number of collections and invoices or receipts related to EHS SO operations. Supporting documentation was not available for all disbursements from the bank accounts. When supporting documentation was not available, we reviewed the payees and other notations on images of the available redeemed checks. We also obtained records from certain vendors and discussed certain disbursements with District personnel to determine the propriety of certain vendors or if the purchases appeared reasonable. We also scanned electronic payments recorded on bank statements to determine reasonableness.

We classified payments as improper, unsupported, or reasonable based on our review of available supporting documentation; the vendor, frequency, and amount of payments; and discussion with District officials and staff. Disbursements were classified as improper if they were personal in nature or not reasonable or necessary for operations of the EHS SO organization. Disbursements were classified as unsupported if the appropriate documentation was not available or if it was not possible to determine if the disbursement was related to the EHS SO organization or was personal in nature. Other disbursements were classified as reasonable if supporting documentation included a description of the goods or services, and/or the goods and services were reasonable and necessary for the EHS SO organization and discussions with District officials.

The improper and unsupported disbursements identified are explained in more detail in the following paragraphs. **Exhibit A** summarizes the improper and unsupported disbursements identified in the Security National Bank account. However, the improper and unsupported disbursements identified in the Wells Fargo bank accounts are not included in **Exhibit A** because these funds are already included in the deposits to the accounts which are shown in **Exhibit A** as undeposited collections.

Wells Fargo Bank Accounts

As stated previously, all of the collections deposited to the Wells Fargo accounts for EHS SO should have been deposited with the District. However, we reviewed the disbursements from the 3 unauthorized Wells Fargo bank accounts to determine if they were for EHS SO operations. While some of the disbursements were supported by receipts or invoices which documented the payments were for EHS SO operations, a number of disbursements were not supported by documentation. However, some of the disbursements were determined to be reasonable based on the vendor, amount spent, and date of the disbursement. The improper and unsupported disbursements identified are summarized in **Table 4** and described in the following paragraphs.

Description	Disbursements		Total
	Improper	Unsupported	
<u>Wells Fargo bank accounts:</u>			
Cash withdrawals	\$ 1,567.00	-	1,567.00
Bank fees	65.00	-	65.00
Payments to Vendors and Other	2,009.30	620.16	2,629.46
Total	\$ 3,641.30	620.16	4,261.46

Cash Withdrawals – According to the District’s policy 505.8, all expenditures must be approved prior to purchase and must be approved by the Principal or Activities Director. In addition, if any cash is required for purchases, the sponsor or person requesting the cash must first be approved by the Principal; and, if approved, is to receive the proper amount of cash from the school bookkeeper. Both the individual and bookkeeper will count the money and document the cash on an “Activity Cashier Report”. However, because the funds for the EHS SO organization were not deposited with the District, Ms. Dickerson was able to circumvent the procedures and controls established by the District.

Based on our review of the bank statements, it is apparent a debit card was issued for the Friendship Connections and East High Special Olympics checking accounts. During our review of the account’s monthly statements, we identified 8 ATM withdrawals for cash, a cash withdrawal made at a Wells Fargo location, and a cashed check. The cash withdrawals totaled \$1,567.00. They are listed in **Table 5**.

Date	Description per Bank Statement	Amount
05/15/14	ATM Withdrawal 4360 Sergeant Rd. Sioux City IA	\$ 100.00
06/09/15	ATM Withdrawal 2220 Hamilton Blvd Sioux City IA	200.00
11/17/15	Withdrawal Made In A Branch/Store ^^	100.00
04/11/16	Cashed Check ^^	67.00
09/01/16	ATM Withdrawal 4360 Sergeant Rd Sioux City IA	300.00
09/16/16	ATM Withdrawal 4360 Sergeant Rd Sioux City IA	100.00
11/07/16	ATM Withdrawal 4360 Sergeant Rd Sioux City IA	200.00
01/04/17	ATM Withdrawal 4360 Sergeant Rd Sioux City IA	100.00
05/26/17	ATM Withdrawal 4360 Sergeant Rd Sioux City IA	200.00
06/01/17	ATM Withdrawal 4360 Sergeant Rd Sioux City IA	200.00
Total		\$ 1,567.00

^^ - From the Friendship Connections account. All others were from the East High Special Olympics account.

We were unable to locate supporting documentation for the cash withdrawals and cashed check. We also discussed the transactions with District officials; however, they were unable to provide a reason for the cash disbursements.

Bank Fees – During our review of Wells Fargo bank statements, we identified 5 monthly service charges withdrawn from the savings account after the account balance fell below \$100.00 in June 2017. The monthly service charges totaled \$30.00. We also identified a \$35.00 service charge incurred in the East High Special Olympics checking account in November 2017 as a result of an overdraft. If the collections received by Ms. Dickerson on behalf of the EHS SO organization had been properly deposited to the District, these bank fees would not have been incurred.

Payments to Vendors and Other Disbursements – As previously stated, we identified a number of unusual disbursements to vendors during our review of the monthly bank statements we obtained from District officials for the unauthorized checking accounts Ms. Dickerson established at Wells Fargo. Also as previously stated, the activity in the Wells Fargo savings accounts consisted of transfers between the savings and a checking account, monthly service charges, and interest.

The improper and unsupported disbursements identified in the 2 Wells Fargo checking accounts are listed in **Exhibit B**. The number and total amount of improper and unsupported disbursements identified are summarized in **Table 6** by account.

Table 6

Account Number	Account Name	Improper Disbursements		Unsupported Disbursements	
		Number of Transactions	Amount	Number of Transactions	Amount
XXX055	East High Special Olympics	14	\$ 1,943.38	15	\$ 594.25
XXX548	Friendship Connections	3	65.92	1	25.91
Total		17	\$ 2,009.30	16	\$ 620.16

As illustrated by the **Table**, we identified 17 improper disbursements from the 2 checking accounts. As illustrated by **Exhibit B**, 15 of the 17 improper disbursements occurred on or after August 19, 2016. The remaining 2 improper disbursements occurred in May 2014. In each of these cases, the related receipt was available. From the receipt, we determined only a portion of the payment was appropriate for EHS SO operations. The 2 disbursements included:

- \$23.46 spent at Hy-Vee on May 7, 2014. The receipt for the purchase included a notation the purchase was for “FC [Friendship Connections] Ice Cream Floats.” The purchase included 8 2-litre bottles of soda and ice cream. However, the purchase also included a loaf of Italian bread for \$7.99. Because the bread is not typically provided with ice cream floats, we determined it was a personal purchase.

The receipt also showed \$.32 of Fuel Saver rewards were earned for the purchase of the bread. The receipt does not specify the Fuel Saver account owner’s name, but because Ms. Dickerson was the only one authorized on the bank account, she should have been the only one authorized to use the account’s debit card.

- \$24.27 spent at McDonalds on May 9, 2014. The receipt for the purchase included a notation the purchase was “Gift cards for SO banquet.” It is reasonable the 4 gift cards purchased were distributed at the EHS SO year-end banquet. However, the \$4.27 of additional costs were for 2 sodas and a large order of french fries. These disbursements are personal in nature.

The improper disbursements identified include online credit card payments to Credit One Bank, Old Navy, Home Depot, and Sam’s Club. The online payments to Credit One Bank and Home Depot specified they were for accounts held by Ms. Dickerson and Mark Dickerson, respectively. The improper disbursements also included payments to utilities. Specifically, there were payments to Cable One, Inc. and Sioux City Internet. There were also payments to MidAmerican Energy on November 23, 2016 and November 27, 2017. The description for these 2 payments identified Ms. Dickerson as the account holder.

We also identified 3 payments to Wal-Mart. We obtained detailed information from Wal-Mart for 2 of the 3 payments. Because the 3rd payment was in 2014, it was too old for detail to be provided. The items purchased for the 2 payments for which Wal-Mart was able to provide detail are listed in **Exhibit C**. As illustrated by the **Exhibit**, the purchase made on September 17, 2016 included groceries and \$40.00 cash back. **Exhibit C** also illustrates the purchase made on December 11, 2016 also included groceries and clothing items. Of the total purchase price, \$132.21 was paid with an EBT (electronic benefits transfer) Foodstamps card. The remaining \$49.00 was paid from the Wells Fargo East High Special Olympics checking account. Because a portion of the purchase was paid with an EBT Foodstamps card, it is apparent the purchase was personal in nature.

The unsupported disbursements identified include purchases at retailers such as Target, Kmart, and Dollar Tree. The unsupported disbursements also include purchases from HyVee and Kum & Go and checks for which we were unable to determine the payee. Because supporting documentation was not available for these disbursements, they are listed as unsupported in **Exhibit B**.

During our review of disbursements and supporting documentation, we identified a \$405.04 payment to Pizza Ranch on October 10, 2015. Based on discussion with District staff, an EHS SO bowling event was held on that date and meals were purchased for the athletes. However, during our review of the related receipt, we determined a Pizza Ranch rewards card was used and the card holder earned 379 points for the purchase. The monetary value of the points earned for the purchase totaled \$25.00. Due to lack of supporting documentation, we were unable to determine if a rewards card was used for other purchases from Pizza Ranch. In addition, we were unable to determine if the rewards Ms. Dickerson obtained from the Pizza Ranch visit were subsequently used for personal purposes or for Special Olympics events.

Funds Returned to the District – As documented by the bank statements Ms. Dickerson printed for the Wells Fargo bank accounts while meeting with District officials, the savings account had a zero balance at November 30, 2017. However, the 2 checking accounts had balances of \$2.07 and \$49.99, respectively. On December 4, 2017, the District received and deposited \$2.07 from the proceeds of closing 1 of the checking accounts. The proceeds from the remaining checking account were deposited with the District on June 28, 2018.

The \$52.06 recovered by the District is included in **Exhibit A** as a reduction to the amount of undeposited collections identified.

Security National Bank Account

Cash Withdrawals and ATM Fees – As previously stated, we examined the bank statements for the account held at Security National Bank for the period October 31, 2013 through November 30, 2017. We also scanned statements prior to October 31, 2013. During our review of the statements, we identified 18 instances in which cash was withdrawn from the account. The 18 instances total \$5,500.00 and are listed in **Exhibit D**.

As illustrated by the **Exhibit**, the first instance was a check written to cash on May 20, 2014. The check was signed by the individual who was the authorized signer on the account prior to Ms. Dickerson. The 17 remaining instances, 16 were ATM withdrawals in Sioux City and 1 was an ATM withdrawal in Brownsburg, IN. The cash withdrawal made in Indiana and the cash withdrawal made on September 21, 2017 resulted in \$6.25 of fees being charged for the transactions.

As illustrated by **Exhibit D**, the frequency of the cash withdrawals increased beginning in 2017. Specifically, of the 17 ATM withdrawals, there were 2 in 2016, 1 per month from January through April 2017, and 11 during June through September 2017. Because cash withdrawals were not typical for the account prior to Ms. Dickerson assuming responsibility for it, the cash withdrawals are considered improper and the \$5,506.25 total of cash withdrawals and related fees are included in **Exhibit A**.

Payments to Vendors and Other Disbursements – As previously stated, we identified a number of unusual disbursements to vendors during our review of the monthly bank statements we obtained from Security National Bank for the Sioux City Special Olympics checking account. The improper and unsupported disbursements identified from the account are listed in **Exhibit E**.

As illustrated by the **Exhibit**, the \$1,082.28 improper disbursements identified include:

- Payments to Cable One, Inc. in June and August 2017 and a payment to Sioux City Internet in August 2017. As previously stated, we identified personal payments to Cable One, Inc. and Sioux City Internet in the unauthorized checking accounts established at Wells Fargo.
- Credit card payments to Credit One Bank, Home Depot, Old Navy, and Sams Club.

- Costs incurred at a hotel in Newton, a pizza restaurant in LeClaire, an antique vendor in LeClaire, and a book store in Clive which were posted to the bank account on July 24 and 25, 2017. As illustrated by **Exhibit D**, there was also an improper cash withdrawal in Brownsburg, IN which was posted on July 24, 2017. When these costs are considered together, it is apparent the disbursements were related to a personal trip.

The \$1,778.00 of unsupported disbursements identified include purchases at vendors such as HyVee and book stores. The unsupported disbursements also include checks for which were unable to determine the purpose of the payment. Because supporting documentation was not available for these disbursements and we are unable to determine if they were for Sioux City Special Olympics operations, EHS SO operations, or personal in nature, they are listed as unsupported in **Exhibit E**.

The \$1,082.28 of improper disbursements and \$1,778.00 of unsupported disbursements listed in **Exhibit E** are also included in **Exhibit A**.

Recommended Control Procedures

As part of our investigation, we reviewed procedures of the District's Administrative office and the receipt and disbursement process of various student activity bank accounts maintained outside the District's records. 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 noted 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 and Student Activity Account's internal controls.

- A. Separately Maintained Bank Accounts – Based on procedures performed, 3 separately maintained bank accounts were identified which were not included in the District's financial statements. The 3 accounts have been closed.

Recommendation – The District should establish procedures to ensure all bank accounts associated with the District or District activities are reviewed and approved by the Board prior to their establishment.

The procedures should include criteria to be used by the District to evaluate the proposed bank account in order to determine if a separate account is necessary, if the activity would more appropriately be included in the District's Student Activity Fund, or if the activity is that of an outside entity and is not a part of the District. In establishing these criteria, the District should consider the nature of the activity and the planned use of the funds. Chapter 281-98.70 of the Iowa Administrative Code requires moneys collected through school activities are public funds that are the property of the school district and are under the financial control of the school board. Section 291.6 of the *Code of Iowa* requires the Board Secretary to keep an accurate accounting record of each payment from each fund which shall be provided monthly to the Board for audit and payment.

Additional guidance which should be considered by the District when developing a clear distinction between Student Activity Funds and when it is appropriate to establish separate bank accounts is available from the "Frequently Asked Questions (FAQs) Regarding the Student Activity Fund" document issued by the Iowa Department of Education on March 23, 2016.

In addition, District officials should periodically request financial institutions provide a list of any accounts which include abbreviations or names which indicate an affiliation with a Sioux City school and/or school address.

B. Disbursements – During our review of disbursements in the various bank accounts not held by the District, the following concerns were identified:

- (1) Disbursements were not consistently supported by invoices or other documentation.
- (2) Disbursements were not approved by the District.
- (3) Certain disbursements were made using a debit card and cash withdrawals were made from the accounts.

Recommendation – All Student Activity Clubs and District disbursements should be made by check and should be approved by members of the Club or the District prior to disbursement. The Clubs and District should discontinue the use of a debit card and cash withdrawals. In addition, detailed supporting documentation should be maintained for all disbursements.

C. Notification of Irregularities – Section 11.6(7) of the *Code of Iowa* requires governmental subdivisions to immediately notify the Office of Auditor of State regarding any suspected embezzlement, theft or other significant financial irregularities.

District officials identified 3 unauthorized bank accounts maintained separately from the District's accounting records in late November 2017. However, the Office of Auditor of State was not contacted until January 2, 2018 of the concerns.

Recommendation – District officials should implement procedures to ensure compliance with section 11.6(7) of the *Code of Iowa*.

Exhibits

**Report on Special Investigation of the
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Summary of Findings
For the period October 31, 2013 through November 30, 2017

Description	Exhibit/Table/ Page Number	Improper	Unsupported	Total
Undeposited collections:				
Wells Fargo accounts	Table 2	\$ 8,644.67	-	8,644.67
Improper and unsupported disbursements:				
Security National Bank account:				
Cash withdrawals and ATM Fees	Exhibit D	5,506.25	-	5,506.25
Payments to vendors	Exhibit E	1,082.28	1,778.00	2,860.28
Subtotal of improper and unsupported disbursements		6,588.53	1,778.00	8,366.53
Total undeposited collections and improper and unsupported disbursements		15,233.20	1,778.00	17,011.20
Less: Funds returned to the District	Page 14	(52.06)	-	(52.06)
Net amount		\$ 15,181.14	1,778.00	16,959.14

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Improper and Unsupported Disbursements from Wells Fargo Accounts
For the period October 31, 2013 through November 30, 2017

Per Check Image or Bank Statement

Acct #	Posting Date	Transaction/ Check Date	Check Number	Payee/Description	Amount
XXX548	05/08/14	05/07/14	-	Hy-Vee 1615 Sioux City IA	23.46
XXX055	05/12/14	05/09/14	-	McDonalds Sioux City IA	24.27
XXX055	06/02/14	-	-	Check	25.00 #
XXX055	06/16/14	-	-	Check	25.00 #
XXX055	09/29/14	09/27/14	-	WM Supercenter #13 Sioux City IA	90.49
XXX548	04/30/15	04/29/15	-	Hy-Vee 1614 Sioux City IA	25.91
XXX055	06/06/16		1001	Check	52.04 #
XXX055	06/09/16		1002	Check	50.00 #
XXX548	08/22/16	08/19/16	-	Red Robin No 424 Sioux City IA	26.92
XXX055	08/22/16	08/21/16	-	Hy-Vee 1614 Sioux City IA	33.54
XXX548	08/25/16	08/24/16	-	Hy-Vee Gas 5615 Sioux City IA	31.01
XXX055	08/26/16	08/25/16	-	Sams Club CC Sams Epay	321.00
XXX055	09/06/16	09/05/16	-	Home Depot Online Pmt Mark D Dickerson	130.00
XXX055	09/06/16	09/05/16	-	Old Navy CC Oldn Epay	173.00
XXX055	09/07/16		-	Cred One Bank Payment	160.00
XXX055	09/19/16	09/17/16	-	Purchase with Cash Back \$40.00 Wal-Mart Super Center S. Sioux City NE	106.40
XXX055	11/15/16	11/13/16	-	Sioux City Internet	63.66
XXX055	11/22/16	11/21/16	-	Cable One Inc	93.96
XXX055	11/22/16	11/21/16	-	Credit One Bank Payment Melissa Dickerson	158.00
XXX055	11/22/16	11/21/16	-	Syncb/Old Navy Pay	65.00
XXX055	11/28/16	11/23/16	-	Midamerican Energy Melissa Dickerson	275.09
XXX055	12/12/16	12/09/16	-	Kum N Go #248 Sioux City IA	28.60
XXX055	12/12/16	12/11/16	-	Wal-Mart Super Center Sioux City IA	49.00
XXX055	12/15/16	12/15/16	-	Target T-1800 Sioux City IA	39.73
XXX055	12/20/16	12/18/16	-	Sioux City Internet	65.00
XXX055	01/09/17	01/06/17	-	WWW.Kmart.Com	51.11
XXX055	01/20/17	01/20/17	-	Dollar Tree Sioux City IA	28.86
XXX055	01/20/17	01/20/17	-	Kmart 4465 Sioux City IA	23.09
XXX055	01/20/17	01/20/17	-	Kmart 4465 Sioux City IA	44.45

Improper	Unsupported	Reasonable
7.99	-	15.47
4.27	-	20.00
-	25.00	-
-	25.00	-
-	90.49	-
-	25.91	-
-	52.04	-
-	50.00	-
26.92	-	-
-	33.54	-
31.01	-	-
321.00	-	-
130.00	-	-
173.00	-	-
160.00	-	-
106.40	-	-
63.66	-	-
93.96	-	-
158.00	-	-
65.00	-	-
275.09	-	-
-	28.60	-
49.00	-	-
-	39.73	-
65.00	-	-
-	51.11	-
-	28.86	-
-	23.09	-
-	44.45	-

Report on Special Investigation of the
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Improper and Unsupported Disbursements from Wells Fargo Accounts
For the period October 31, 2013 through November 30, 2017

Per Check Image or Bank Statement

Acct #	Posting Date	Transaction/ Check Date	Check Number	Payee/Description	Amount
XXX055	01/20/17	01/20/17	-	Party City Sioux City IA	59.00
XXX055	01/23/17	01/23/17	-	Hy-Vee 1614 Sioux City IA	11.84
XXX055	01/24/17	01/23/17	-	Hy-Vee Gas 5614 Sioux City IA	31.50
XXX055	11/28/17	11/27/17	-	Midamerican Energy Melissa Dickerson	279.00
	Total				<u>\$ 2,664.93</u>

^^ - Transactions occurred prior to Ms. Dickerson assuming responsibility for the bank account.

- Image of redeemed check not provided by the bank.

@ - Memo portion of the check stated "Tickets".

Improper	Unsupported	Reasonable
-	59.00	-
-	11.84	-
-	31.50	-
279.00	-	-
<hr/>	<hr/>	<hr/>
2,009.30	620.16	35.47
<hr/>	<hr/>	<hr/>

Exhibit C

Report on Special Investigation of the
Sioux City Community School District
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Wal-Mart Purchases
For the period October 31, 2013 through November 30, 2017

Visit Date	Description	Quantity	Amount
09/17/16	RED HOT CHIMICHNGA	2	2.00
	SARA LEE SOFT & SMOOTH WHOLE GRAIN WHITE	1	1.98
	GREAT VALUE FINELY MOZZARELLA SHRED 8 OZ	1	2.22
	GREAT VALUE SMALL CURD COTTAGE CHSE 24OZ	1	2.88
	RAGU CHEESE CREATIONS ROASTED PARMESAN	1	1.77
	GREAT VALUE GRANULATED SUGAR 4LB	1	1.98
	HEINZ EASY SQUEEZE KETCHUP	1	2.88
	GREAT VALUE OVEN READY LASAGNA 12 OZ	1	1.68
	A&W RTB CLPK 12Z1 2P	1	3.33
	DR PEPPER PET 0.5L 6PK	1	3.00
	A&W CRM SDA 12Z12P COOLPK	1	3.33
	GREAT VALUE HOT DOG BUNS	1	1.48
	HOSTESS POWDER SUGAR DONUT 10.5OZ BAG	1	2.00
	LAYS SALT & VINEGAR XL 7.75OZ	1	2.48
	GV FRENCH VANILLA COFFEE CREAMER 64 OZ	1	3.78
	EOS BLUEBERRY LIP BALM	1	2.96
	HOSTESS GLAZED MINI DONETTE BAG	1	2.00
	FRITOS SCOOPS PSZ 18 OZ	1	3.98
	GREAT VALUE SEMISWEET CHOCOLATE CHIPS	1	1.98
	GREAT VALUE FINELY FIESTA SHRED 16 OZ	1	4.22
	CRUZ COFFEE THINS ESPRESSO 3 BOX 1.05OZ	1	1.00
	CRUZ COFFEE THINS LATTE 3PC BOX 1.05OZ	1	1.00
	BIG KAT KING SIZE	1	1.34
	FRITOS REGULAR XL 10.25OZ	1	2.78
	GREAT VALUE 2% MILK GAL	1	3.12
	OUCHLESS ELASTIC AND RIBBON VALUE BLACK	1	2.88
	GREAT VALUE 12 LARGE A EGG	1	0.96

Report on Special Investigation of the
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East High School Special Olympics

Wal-Mart Purchases
For the period October 31, 2013 through November 30, 2017

Visit Date	Description	Quantity	Amount
	GREAT VALUE CREAM OF MUSHROOM SOUP	1	0.98
	TAX		0.41
	CASH BACK		40.00
	TOTAL		<u>106.40</u>
12/11/16	HEFTY CINCH SAK TRSH DRWSTG 30 GAL 15 CT	1	4.88
	PUFFS PLUS FAMILY 124 CT	1	1.98
	POPCORN CHICKEN CUP	1	2.50
	LITTLE DEBBIE BIG NUTTY BARS	1	3.50
	CF CHK PPR JK 8 OZ	1	2.52
	GREAT VALUE 8OZ PROVOLONE SLICE	1	2.22
	BUTTER FLAKE CRESCENT ROLLS 8CT	1	2.18
	CRYSTAL FARMS MARBLE CHEDDAR CHUNK CHS	1	2.52
	LENDERS REFRIGERATED PLAIN BAGEL 6CT	1	1.76
	MRS. GRIMES CHILI BEANS 15 OZ	2	1.56
	DOLE MANDARIN ORANGES IN PLASTIC-23.5 OZ	1	2.92
	GV LS TRIPLE CHERRY MIXED FRUIT CUP	1	1.88
	MT OLIVE KOSHER DILL STRIPS 24OZ	1	1.98
	GV MED RIPE PITTED OLIVES	2	3.08
	CAMP CRM OF CHICKEN	2	1.60
	MT OLIVE PETITE SNK CRUNCHER KOSHER DILL	1	2.48
	GV ALL PURPOSE FLOUR 5LB	1	1.72
	GV ITAL BREAD CRUMBS	1	1.08
	GV PDQ LT BR SUGAR 2LB	1	1.74
	TYSON BNLS BREAST 2.5LB	1	5.98
	BABY PEELED CARROTS 1 LB BAG	1	1.38

Exhibit C

Report on Special Investigation of the
Sioux City Community School District
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Wal-Mart Purchases
For the period October 31, 2013 through November 30, 2017

Visit Date	Description	Quantity	Amount
	JUMBO YELLOW ONIONS PER POUND	0.69 lb	0.61
	IA SNGLE BOTTLE DEP.	3	0.15
	IA 6PK BOTTLE DEP	2	0.60
	PEP FARM VAN CUPCAKE GOLDFISH GRAHM 6.6Z	1	1.98
	DR PEPPER PET 20FO	1	1.68
	COKE 20 OZ	1	1.68
	ORANGE 20 OZ	1	1.68
	KEEBLER FUDGE SHOPPE PEPPERMINT 11.5OZ	1	2.56
	GREAT VALUE DICED TOMATOES 14.5OZ	1	0.72
	GREAT VALUE REAL BACON PIECES	2	3.72
	CELERY SNACK 4 PACK	1	1.14
	GREAT VALUE NO SALT DARK RED KIDNEY BNS	2	1.44
	PUFFS PLUS CUBE VICKS 1X48CT	1	1.47
	CLUB ORIGINAL CRACKER 13.7Z	1	2.50
	GV HNY ROAST TURKEY TUB 9	1	2.50
	SKPP CREAMY 28O	1	3.50
	STOVE TOP SAGE STUFFING 6OZ	1	1.25
	IDAHOAN 25% MORE HOMESTYLE LOADED BAKED	1	1.00
	FARMLAND HICKORY LBOARD BACON 1 LB	1	3.98
	STRAWBERRIES & BLUEBERRIES 10 OZ	1	3.98
	PREMIUM BANANAS	1.64 lb	0.93
	CHARMIN ULTRA STRONG 6MR	1	6.97
	GREAT VALUE FINELY COLBY JACK SHRED 16OZ	1	4.22
	HF SD SUM SGE MEAT 20/20OZ	1	4.98
	AZ FRUIT PUNCH RS 8PK/11.5 OZ. CANS	1	3.98
	LITTLE POTATO GARLIC HERB OVEN GRILLER	1	3.97
	MINI SWEET PEPPER 16 OZ	1	2.98

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Wal-Mart Purchases
For the period October 31, 2013 through November 30, 2017

Visit Date	Description	Quantity	Amount
	BANQUET CHICKEN NUGGET N FRIES 4.85Z	1	1.00
	GREAT VALUE SALTINE 16Z	1	1.78
	DIAL LIQUID HAND SOAP SEASONAL #1 7.5OZ	1	0.98
	JUSTIN BIEBER - FLANNEL	1	4.98
	HARD COVER	1	3.97
	TAKE&SHAKE PEPPER, RSMARY&THYME POTATOES	1	1.68
	PAPERMATE INKJOY 300RT ASSORTED 8CT	1	3.77
	FRITOS CHILI CHEESE XL 9.25OZ	1	2.78
	FRITOS REGULAR XL 10.25OZ	1	2.78
	PEPSI CHERRY VANILLA 16.9OZ 6PK/4 PET	2	6.00
	AUSTIN CRACKERS SOUR CREAM 8 COUNT	1	1.98
	LALA MIXED BERRY 7OZ 4PK	1	2.98
	YOPLAIT STRWBRY BANANA SPECIAL EDITION	1	2.00
	MAILBOX TIN RWG.	1	2.47
	GREAT VALUE 12 LARGE A EGG	1	1.18
	#ELFIE 2PK 9" CREW SOCKS	1	2.97
	OH SNAP! 2PK 9" CREW SOCKS	1	2.97
	CINNAMON 11.5OZ	1	3.00
	HOL JOLLY RANCHER SMOOTHIE CANDY CANES	1	2.00
	CELEBRATIONS BOTTLE 10.9OZ	1	4.98
	GREAT VALUE OYSTER CRACKERS 9Z	1	1.24
	ANIMAL JAM - ADOPT A PET	1	2.88
	TAX		3.21
	PAID WITH EBT FOODSTAMPS CARD		(132.21)
	NET TOTAL		<u>49.00</u>

**Report on Special Investigation of the
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Report on Special Investigation of the
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Cash Withdrawals from the SNB Account
For the period October 31, 2013 through November 30, 2017

Per Bank Statement

Date	Check Number	Description/Payee	Amount
05/20/14	708	Cash	\$ 300.00 ^
08/29/16	-	ATM Debit Cash Withdrawal 4700 Sergeant Rd Sioux City IA	500.00
09/01/16	-	ATM Debit Cash Withdrawal 4700 Sergeant Rd Sioux City IA	500.00
01/04/17	-	ATM Debit Cash Withdrawal 4700 Sergeant Rd Sioux City IA	400.00
02/06/17	-	ATM Debit Cash Withdrawal 4700 Sergeant Rd Sioux City IA	200.00
03/20/17	-	ATM Debit Cash Withdrawal 4700 Sergeant Rd Sioux City IA	400.00
04/03/17	-	ATM Debit Cash Withdrawal 4700 Sergeant Rd Sioux City IA	500.00
06/01/17	-	ATM Debit Cash Withdrawal 4700 Sergeant Rd Sioux City IA	200.00
06/07/17	-	ATM Debit Cash Withdrawal 4700 Sergeant Rd Sioux City IA	400.00
06/21/17	-	ATM Debit Cash Withdrawal 4700 Sergeant Rd Sioux City IA	300.00
07/05/17	-	ATM Debit Cash Withdrawal 901 Pierce St Sioux City IA	400.00
07/05/17	-	ATM Debit Cash Withdrawal 4700 Sergeant Rd Sioux City IA	200.00
07/14/17	-	ATM Debit Cash Withdrawal 901 Pierce St Sioux City IA	400.00
07/24/17	-	ATM Debit Cash Withdrawal 1360 N Green St Brownsburg IN	100.00
07/24/17	-	ATM Surcharge 1360 N Green St Brownsburg IN	3.25
08/16/17	-	ATM Debit Cash Withdrawal 4700 Sergeant Rd Sioux City IA	200.00
08/28/17	-	ATM Debit Cash Withdrawal 4700 Sergeant Rd Sioux City IA	100.00
09/06/17	-	ATM Debit Cash Withdrawal 4700 Sergeant Rd Sioux City IA	200.00
09/21/17	-	ATM Debit Cash Withdrawal 3091 Hamilton Blvd Sioux City IA	200.00
09/21/17	-	ATM Surcharge 3091 Hamilton Blvd Sioux City IA	3.00
Total			<u>\$ 5,506.25</u>

^ - Signed by account custodian who preceeded Melissa Dickerson.

Report on Special Investigation of the
Sioux City Community School District
East High School Special Olympics

Improper and Unsupported Disbursements from SNB Account
For the period October 31, 2013 through November 30, 2017

Per Check Image or Bank Statement

Posting Date	Check Date	Check Number	Payee/Description	Amount
01/06/14	-	-	Hy Vee 1601 Sioux City IA	46.00 ^^
05/27/14	-	709	Hy-Vee	1,157.25 ^^
04/26/16	-	-	WM Supercenter Sioux City IA	50.75
06/13/17	-	-	Cable One Inc	101.20
06/14/17	06/12/17	736	AHN	325.00 @
07/07/17	06/12/17	737	Jenee Funke	75.00
07/24/17	-	-	Happy Joes Pizza LeClaire IA	42.03
07/24/17	-	-	Super 8 Newton IA	105.27
07/25/17	-	-	Antique Archaeology LeClaire IA	42.27
07/25/17	-	-	Half Price Books Clive IA	102.18
08/09/17	-	-	Barnes Noble.com	43.31
08/09/17	-	-	Barnes Noble.com	51.06
08/14/17	-	-	Best Buy Payment	108.00
08/14/17	-	-	Cable One Inc	93.96
08/14/17	-	-	Home Depot Online Pmt	75.00
08/15/17	-	-	Credit One Bank Payment	75.00
08/15/17	-	-	Old Navy CC Oldn Epay	37.00
08/15/17	-	-	Sams Club CC Sams Epay	141.00
08/15/17	-	-	Sioux City Internet Pmnt	65.00
10/30/17	10/17/17	740	Hoellings	124.00
Total				<u><u>\$ 2,860.28</u></u>

^^ - Transactions occurred prior to Ms. Dickerson assuming responsibility for the bank account.

@ - Memo portion of the check stated "Tickets".

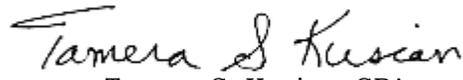
<u>Improper</u>	<u>Unsupported</u>
-	46.00
-	1,157.25
-	50.75
101.20	-
-	325.00
-	75.00
42.03	-
105.27	-
42.27	-
102.18	-
43.31	-
51.06	-
108.00	-
93.96	-
75.00	-
75.00	-
37.00	-
141.00	-
65.00	-
-	124.00
<u>1,082.28</u>	<u>1,778.00</u>

Report on Special Investigation of the
Sioux City Community School District
East High School Special Olympics

Staff

This special investigation was performed by:

Annette K. Campbell, CPA, Director
Ryan J. Pithan, CPA, Senior Auditor II


Tamera S. Kusian, CPA
Deputy Auditor of State