



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

Rob Sand
Auditor of State

State Capitol Building
Des Moines, Iowa 50319-0004

Telephone (515) 281-5834 Facsimile (515) 281-6518

NEWS RELEASE

Contact: Rob Sand
515/281-5835
or Annette Campbell
515/281-5834

FOR RELEASE _____ June 25, 2019 _____

Auditor of State Rob Sand today released a report on a special investigation of the Saydel Community School District Music Boosters (Boosters) for the period August 1, 2014 through March 31, 2018. The special investigation was requested by Boosters officials as a result of concerns regarding certain transactions initiated by the Boosters' former Treasurer, Denice Grove. On April 25, 2018, the Boosters' President was contacted by Ms. Grove's attorney with an offer to arrange for repayment of undeposited collections.

Sand reported the special investigation identified \$12,625.05 of undeposited collections, \$7,260.35 of improper disbursements, and \$1,485.81 of unsupported disbursements from the Boosters' bank accounts. The undeposited collections identified includes collections from fundraisers and payments for the Orlando trip which were not recorded in the Boosters' financial records. The undeposited collections identified also include amounts recorded as collected in the financial records but not properly deposited in the Boosters' bank accounts. The improper disbursements identified include \$3,515.00 of cash withdrawals, \$2,079.63 of purchases from Walmart, and \$1,665.72 of payments to vendors such as Discover credit card, Thirty-One Gifts, and Zenni Optical.

The unsupported disbursements identified include payments to vendors for which sufficient supporting documentation was not available. Sand reported it was not possible to determine if additional amounts were improperly disbursed or if additional collections were not properly deposited during the period reviewed because adequate records were not available.

The report includes recommendations to strengthen the Boosters' internal controls and overall operations, such as improving segregation of duties and requiring sufficient supporting documentation for all fundraising activities and disbursements.

Copies of this report have been filed with the Division of Criminal Investigation, the Polk 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://auditor.iowa.gov/reports/audit-reports/>.

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**REPORT ON SPECIAL INVESTIGATION
OF THE
SAYDEL COMMUNITY SCHOOL DISTRICT MUSIC BOOSTERS
FOR THE PERIOD
AUGUST 1, 2014 THROUGH MARCH 31, 2018**

Table of Contents

| | <u>Page</u> | |
|---|----------------|-------|
| Auditor of State's Report | 3-4 | |
| Investigative Summary: | | |
| Background Information | 5-6 | |
| Detailed Findings | 6-13 | |
| Recommended Control Procedures | 13-14 | |
| Exhibits: | | |
| | <u>Exhibit</u> | |
| Summary of Findings | A | 16 |
| Cash Withdrawals | B | 18 |
| Debit Card Purchases – Walmart | C | 19-42 |
| Improper and Unsupported Disbursements to Other Vendors | D | 43-44 |
| Staff | | 45 |



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Auditor of State's Report

To the Saydel Community
School District Music Boosters:

At the request of Saydel Community School District Music Booster officials and Saydel Community School District officials and as a result of concerns regarding certain financial transactions, we conducted a special investigation of the Saydel Community School District Music Boosters (Boosters). We have applied certain tests and procedures to financial transactions of the Boosters for the period August 1, 2014 through March 31, 2018. Based on a review of relevant information and discussions with Booster members, we performed the following procedures:

- (1) Evaluated internal controls to determine whether adequate policies and procedures were in place and operating effectively.
- (2) Interviewed the Boosters' current President and Treasurer to:
 - obtain an understanding of how financial transactions were processed and how Treasurer's reports were prepared,
 - determine what accounting records were prepared and maintained,
 - determine what, if any, reviews and approvals were performed, and
 - determine what fundraising activities were undertaken.
- (3) Examined Boosters' records and minutes of meetings to determine fundraising events and reported collections.
- (4) Obtained and reviewed bank statements for non-District accounts established by the Boosters to identify any unusual activity.
- (5) Examined images of redeemed checks and withdrawal documents for payments issued from the Boosters' accounts to determine reasonableness. We also examined certain disbursements to determine if they were appropriate, properly approved, and supported by adequate documentation.
- (6) Examined all cash withdrawals from the Boosters' accounts to determine dates and dollar amounts and determine propriety.
- (7) Examined documentation obtained from faculty members and vendors to determined collections for fundraisers and a band trip then compared the amounts collected to deposits recorded in the Boosters' accounting records and deposits to the Boosters' bank accounts to determine if amounts collected were properly deposited.
- (8) Compared all deposits and payments recorded in the Boosters' accounting records to the Boosters' bank statements to determine if all activity agreed. We also reviewed deposit slips to determine if amounts recorded in accounting records were deposited intact.

These procedures identified \$12,625.05 of undeposited collections, \$7,260.35 of improper disbursements, and \$1,485.81 of unsupported disbursements. We were unable to determine if additional collections were not properly deposited or if additional amounts were improperly disbursed because adequate records were not available. Several internal control weaknesses were also identified. Our detailed findings and recommendations are presented in the Investigative Summary and **Exhibits A** through **D** 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 financial statements of the Saydel Community School District Music Boosters, other matters might have come to our attention that would have been reported to you.

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

We would like to acknowledge the assistance extended to us by personnel of the Saydel Community School District Music Boosters and Saydel Community School District during the course of our investigation.



ROB SAND
Auditor of State

May 29, 2019

Report on Special Investigation of the
Saydel Community School District Music Boosters

Investigative Summary

Background Information

The Saydel Community School District Music Boosters (Boosters) is an organization which provides services and support for the music programs within the public school system of the Saydel Consolidated School District (District). The Boosters also provide services and support for extracurricular activities which are supported or authorized by the District and conduct and promote activities for the benefit of District's music programs.

The Boosters have established positions and duties for the President, Vice President, Treasurer, and Secretary. Each spring, nominations are accepted and votes are placed to fill these positions. The minutes from the Boosters' September 3, 2014 meeting document Denice Grove was welcomed as the new Treasurer. She continued to serve as the Treasurer until her replacement was elected at the Boosters' April 11, 2018 meeting. As the Treasurer, Ms. Grove was responsible for:

- 1) Receipts – collecting, posting to accounting records, and preparing and making deposits to the Boosters' bank accounts,
- 2) Disbursements – making certain purchases, maintaining supporting documentation, preparing, and distributing checks, and posting payments to accounting records,
- 3) Bank accounts – receiving and reconciling monthly bank statements to accounting records,
- 4) Reporting – preparing monthly Treasurer reports for presentation at Boosters meetings, and
- 5) Monitoring – monitoring the financial activity of the Boosters' bank accounts.

The Boosters' primary revenue sources include fundraisers and donations collected during concerts. During the 2017/18 academic year, the Boosters also collected payments from students, guardians, and family members for a trip to Orlando, Florida. Members of the High School band travel to Orlando every 4 years for a competition. Receipts were not consistently prepared for collections or recorded on an initial receipts listing by the Treasurer.

According to Boosters officials, all disbursements are to be made by check or debit card. The debit card is not to be used for cash withdrawals and cash should not be used for Boosters' disbursements. All disbursements are to be supported by receipts, invoices, or other documentation obtained by or submitted to the Treasurer. The Treasurer is to prepare and record checks. Dual signatures are required on the checks. Only the Boosters' President and Vice President are authorized to sign checks from the Boosters' checking account.

As the Treasurer, Ms. Grove obtained the monthly statements for the Boosters' bank accounts electronically. However, she did not consistently reconcile them to accounting records. In addition, the bank statements and carbon copies of checks issued by the Treasurer were not periodically reviewed by any other Boosters member. The monthly bank statements received included activity for the Boosters' checking account and 4 savings accounts, including a primary savings account, a "H S Vocal" savings account, a "Band" savings account, and a "Woodside" (Middle School) savings account.

As previously stated, a new Treasurer was elected during the Boosters' April 11, 2018 meeting. According to the Boosters' President, she was contacted by an attorney representing Ms. Grove on April 25, 2018, which was shortly after she contacted Ms. Grove to request return of the Boosters' records. According to the President, the attorney reported Ms. Grove requested his assistance and

reported to him she had not properly deposited in excess of \$15,000.00 of the Boosters' collections.

After the Boosters' records were obtained from Ms. Grove and copies of bank statements were obtained from the credit union for the period of August 2014 through March 2018, Boosters officials identified a number of unauthorized cash withdrawals and collections listed on the Treasurer's reports which were not deposited in the Boosters' bank accounts.

A Boosters member contacted officials of the Saydel Community School District (District) who notified the Office of Auditor of State regarding the concerns identified. As a result of those concerns, the Office of Auditor of State performed the procedures detailed in the Auditor of State's report for the period August 1, 2014 through March 31, 2018.

Detailed Findings

These procedures identified \$12,625.05 of undeposited collections, \$7,260.35 of improper disbursements, and \$1,485.81 of unsupported disbursements. The undeposited collections identified includes collections from fundraisers and payments for the Orlando trip which were not recorded in the Boosters' financial records. The undeposited collections identified also include amounts recorded as collected in the financial records but not properly deposited in the Boosters' bank accounts. The improper disbursements identified include cash withdrawals and payments to vendors. The unsupported disbursements identified include transactions for which adequate supporting documentation was not available.

It was not possible to determine if additional collections were not properly deposited or if additional amounts were improperly disbursed during the period reviewed because adequate records were not available.

At the completion of fieldwork, we contacted Ms. Grove to obtain an explanation for certain transactions we identified. Specifically, we left a message on her voice mail and sent her an email requesting an opportunity to meet with her; however, she declined our request. The undeposited collections and improper and unsupported disbursements identified are discussed in the following paragraphs and summarized in **Exhibit A**.

UNDEPOSITED COLLECTIONS

As previously stated, the Boosters' President reported she was contacted by an attorney representing Ms. Grove after Ms. Grove requested his assistance because she had not properly deposited in excess of \$15,000.00 of the Boosters' collections. As the Treasurer, Ms. Grove had primary responsibility for recording the amounts collected in the Boosters' accounting records, depositing the collections to the Boosters' bank accounts, and reporting the Boosters' financial condition during meetings.

The minutes of Boosters' meetings often referred to Treasurer's reports which were presented by Ms. Grove. According to Boosters' officials we spoke with, copies of the bank statements and Treasurer's reports were not distributed during the meetings. However, Boosters officials provided us monthly summaries of financial activity which listed transactions recorded in Quicken® accounting software and included account balances and information regarding deposits and disbursements, such as dates, amounts, and descriptions. According to the Boosters officials, Ms. Grove recorded the transactions in the accounting software.

The Boosters officials we spoke with also reported all collections were to be deposited in the Boosters' bank accounts. As previously stated, the Boosters' had 5 bank accounts, including a checking account used for most Boosters' operations and 4 savings accounts, including a primary savings account and accounts designated for the High School Vocal program, the High School Band program and the Middle School combined Vocal and Band programs. All collections were to be deposited to 1 of the 5 bank accounts.

Also as previously stated, the Boosters' primary revenue sources include fundraisers and donations collected during concerts. The Boosters also collected payments from High School band members, guardians, and family members for a trip to Orlando, Florida during the 2017/18 academic year. During our review of deposits to the bank accounts, we determined the amounts deposited were often comingled without regard to the source.

Because Ms. Grove did not make separate deposits to the Boosters' bank accounts for each event and sufficient records were not maintained which documented the source of the proceeds included in each bank deposit, we were not able to match collections for individual events to individual bank deposits. However, by using documentation we obtained from outside sources such as vendors and District faculty members, we were able to compare the amounts which were collected for certain fundraisers or events to collections recorded in the Boosters' accounting records. We were also able to compare the collections recorded in the Boosters' accounting records to the amounts deposited to the 5 bank accounts in total.

During our fieldwork, we determined not all collections were recorded in the accounting records. We also determined certain collections recorded in the Boosters' accounting records were not deposited to the Boosters' bank accounts. Our findings are described in the following paragraphs.

Unrecorded Collections - Because receipts were not consistently prepared for collections or recorded on an initial receipts listing, we obtained other documentation maintained by District faculty or outside sources to calculate the amount of collections from fundraisers and trip fees. We then compared the collections from fundraisers, trip fees, and other sources to collections recorded in the Boosters' accounting records. The documentation obtained from the Boosters' records, District faculty or outside sources is described in the following paragraphs.

- **Collections for Orlando Trip** - The High School Band Director maintained an electronic spreadsheet which summarized the amount received for each individual participating in the 2018 Orlando Trip. According to the Band Director, he provided collections he received to Ms. Grove to be deposited in a Boosters' bank account. Costs related to the trip were paid from the Boosters' checking account.

The spreadsheet obtained from the Band Director documented \$36,043.00 was collected for the trip. The spreadsheet also documented \$5,462.00 of this amount was collected in cash and \$30,581.00 was collected in checks and money orders.

- **Fundraisers** - Annual fundraisers sponsored by the Boosters from 2014 through 2017 included Butterbraid® sales each November and Poinsettia sales each December. There was also an additional Butterbraid® sale held in May 2017. The Boosters' did not reconcile and maintain supporting documentation of how many products were sold, how much profit was made, or trace the proceeds from the sales to subsequent deposit in the Boosters' bank account. However, District faculty members were able to provide us copies of invoices from the vendors the products were purchased from which documented the number of products obtained from the vendor.

According to District faculty, a few extra poinsettias were purchased each year in case some were damaged prior to delivery. However, additional Butterbraids® were not purchased. By multiplying the number of products sold by the related sales price, District faculty were able to calculate an amount collected for each fundraising event. We then compared the amount of collections to information recorded in the Boosters' accounting records.

- **Donations** - Documentation was obtained from Boosters' records which summarized the amount of donations collected at concerts held during December 2017. The documentation obtained for 2 of the concerts included the number and denominations of bills and coins collected and the total amount collected. For the

third concert, the total amount collected was documented along with a notation the donations would be split evenly between band and choir. The amounts recorded on the 3 documents agree with the amounts recorded in the Treasurer’s accounting records.

However, similar documentation was not available for any other concerts. Because the Boosters did not maintain adequate records for donations, we are unable to determine if all donations were properly recorded and deposited. While, sufficient documentation was not available, the Treasurer’s accounting records include deposits which were described as donations received at other concerts. We compared the amount of the donations recorded in the Treasurer’s accounting records to bank records.

The documentation obtained from District faculty, including vendor invoices which documented the number of products pre-sold by students then purchased by the Boosters, was used to calculate the expected collections. When we compared the calculated collections to the amount of collections recorded in the Boosters’ accounting records, we determined \$3,764.00 of collections were not recorded in the Boosters’ accounting records. **Table 1** summarizes the unrecorded collections by source and academic year. As previously stated, because adequate records for all donations were not maintained, we were unable to determine if all donations collected were properly recorded. As a result, donations are not included in **Table 1**.

Table 1

| Unrecorded Collections | | | | |
|-------------------------------|-----------------------|--------------------|---------------------|--------------|
| Academic Year | Butter-braids® | Poinsettias | Orlando Trip | Total |
| 2014/15 | \$ 269.00 | - | - | 269.00 |
| 2015/16 | 217.00 | 85.00 | - | 302.00 |
| 2016/17 | - | - | - | - |
| 2017/18 | - | - | 3,193.00 | 3,193.00 |
| Total | \$ 486.00 | 85.00 | 3,193.00 | 3,764.00 |

The \$3,764.00 of collections in excess of the collections recorded in the Boosters’ accounting records is included in **Exhibit A** as undeposited collections.

Recorded Collections - When we compared the collections recorded in the Boosters’ accounting records to the bank deposits, we determined certain amounts recorded as deposited in the Boosters’ accounting records were not deposited in the Boosters’ bank accounts. While the accounting records specified which bank account each deposit was recorded in, we compared each amount recorded in the accounting records to deposits in all 5 of the Boosters’ bank accounts in case the deposit was recorded in one account but actually deposited in another.

As previously stated, Ms. Grove did not make separate deposits to the Boosters’ bank accounts for each event and sufficient records were not maintained which documented the source of the proceeds included in each bank deposit. During our comparison of the recorded deposits and the bank deposits, we also determined some deposits were not recorded in the accounting records during the same months to the collections were deposited to the bank. Because the collections were comingled in individual deposits and there were timing differences between when collections were recorded in the accounting records and the comingled collections were deposited to the bank, we compared the total recorded collections to the total amount deposited. **Table 2** summarizes this comparison.

Table 2

| Period | Deposits per | | |
|----------------------------------|--------------------|-----------------|-------------------------|
| | Accounting Records | Bank Statements | Undeposited Collections |
| 08/14/14 - 09/30/14 [^] | \$ 13,490.00 | 13,490.00 | - |
| 11/01/14 - 12/31/14 | 2,976.00 | 2,976.00 | - |
| 01/01/15 - 06/30/15 | 2,316.72 | 1,022.25 | 1,294.47 |
| 07/01/15 - 12/31/15 | 18,032.00 | 19,314.00 | (1,282.00) |
| 01/01/16 - 06/30/16 | 6,470.69 | 3,389.52 | 3,081.17 |
| 07/01/16 - 12/31/16 | 28,344.95 | 27,418.64 | 926.31 |
| 01/01/17 - 06/30/17 | 11,263.75 | 8,655.19 | 2,608.56 |
| 07/01/17 - 12/31/17 | 37,800.18 | 34,735.77 | 3,064.41 |
| 01/01/18 - 03/31/18 | 17,357.68 | 18,189.55 | (831.87) |
| Total | \$ 138,051.97 | 129,190.92 | 8,861.05 |

[^] - Accounting records were not available for October 2014.

As illustrated by the **Table**, the recorded collections agreed with amounts deposited to the bank from August 14, 2014 through December 31, 2014, excluding the month of October. Because accounting records were not available for the month of October, that month was not included in our analysis.

The **Table** also illustrates the recorded amounts exceeded the deposited amounts by \$1,294.47 from January 1, 2015 through June 30, 2015, but the deposited amounts exceeded the recorded amounts by \$1,282.00 from July 1, 2015 through December 31, 2015, for a net difference of \$12.47 between the collections recorded and deposit amounts from January 1, 2015 through December 31, 2015. However, beginning in January 2016, the amount of collections recorded in the accounting records consistently exceeded the amount deposited in the Boosters' bank accounts until early 2018.

The \$8,861.05 recorded in the Boosters' accounting records in excess of the amounts deposited is included in **Exhibit A** as undeposited collections.

IMPROPER AND UNSUPPORTED DISBURSEMENTS

We reviewed all disbursements from the Boosters' bank accounts for the period August 1, 2014 through March 31, 2018. We also reviewed available documentation for certain disbursements to determine if they were appropriate; however, sufficient supporting documentation was not available for some of the disbursements reviewed. As a result, we reviewed the payees on the carbon copies of the checks, considered the amounts of the payments, and the timing and frequency of the payments. We also reviewed minutes of monthly Boosters meetings to determine if the disbursements were discussed or included in the Treasurer's reports and discussed the payments and cash withdrawals with Boosters officials to determine if they were reasonable for Boosters operations. For many payments, the minutes of monthly Boosters meetings were not detailed enough to determine if the payments were approved or proper and meetings did not include a listing of disbursements approved for payment.

A complete copy of the October 2016 bank statement was not available; however, the bank was able to provide a listing of transactions from the checking account for the period October 1, 2016 through October 31, 2016 along with the balance available in the account after each transaction was processed. We were able to reconcile the balances shown on the listing to the September 30, 2016 balance and the November 1, 2016 balance from the prior and subsequent months' bank statements, respectively. As a result, we were able to review all the transactions from the checking account for October 2016. While information was not available from the bank for the

October activity in the savings accounts, we were able to determine each of the savings accounts increased only a small amount from September 30, 2016 to November 1, 2016. The small increases for each account were consistent with the amount of interest earned in each of the accounts during September and November.

Based on our review of the payee, amount, and frequency of the disbursements, available supporting documentation, minutes from Boosters' meetings, and discussions with Boosters members, we classified the payments from the Boosters' bank accounts as improper, unsupported, or reasonable. Disbursements were classified as improper if they appeared personal in nature or were not reasonable for Boosters' operations. Payments were classified as unsupported if it was not possible to determine if the payment was related to Boosters operations or was personal in nature. Although supporting documentation was limited, disbursements were classified as reasonable if they were clearly for Boosters' operations. The improper and unsupported disbursements identified are explained in detail in the following paragraphs.

Cash Withdrawals – As previously stated, Boosters officials stated disbursements were to be made with checks or a debit card and the debit card was not to be used for cash withdrawals. We identified 11 cash withdrawals totaling \$3,515.00 from the Boosters' bank accounts between November 30, 2016 and February 21, 2017.

The 11 cash withdrawals identified are listed in **Exhibit B**. As illustrated by the **Exhibit**, each of the withdrawals occurred at an automated teller machine (ATM) and 10 of the 11 withdrawals took place in January 2017 and February 2017. The withdrawal amounts ranged from \$50.00 to \$500.00.

According to the President, only Ms. Grove had access to the debit card for the Boosters' bank accounts during this period. In addition, because Ms. Grove was the only individual with access to bank statements as the Treasurer for the Boosters' bank accounts, it was her responsibility to identify any unauthorized transactions and report them to Boosters' officials. Boosters officials we spoke with stated they did not receive any notifications from Ms. Grove regarding unauthorized cash withdrawals.

The records available from the Boosters did not include any support for the 11 cash withdrawals listed in **Exhibit B**. Because the cash withdrawals were not supported by documentation and there is no indication they were made for Boosters operations, the \$3,515.00 total the transactions listed in **Exhibit B** are improper disbursements and are included in **Exhibit A**.

Payments to Vendors – We reviewed all disbursements to vendors from the Boosters' checking account for the period August 1, 2014 through March 31, 2018. The bank statements identified the date the transaction was posted, the vendor, and the amount of the transaction for purchases made with the debit card and purchases made with checks which were redeemed electronically by the vendor. The Booster bank statements did not include images of checks which were not redeemed electronically by the vendor. However, information such as the check number and transaction amount were summarized on the monthly bank statements. For these disbursements, we compared the check number and disbursement amount to the carbon-copies of the related checks which were maintained by the Boosters. Using the carbon copies, we were able to determine the party to whom the checks were issued.

We compared the disbursements to supporting invoices and store receipts which were available from the Boosters' records and information recorded in the monthly Treasurer's reports, monthly bank statements, and minutes from Boosters meetings. We also compared disbursements to the information received directly from Walmart. Information available for the purchases made at Walmart is included in **Exhibit C**. **Exhibit D** lists 11 improper or unsupported purchases we identified from other vendors. The purchases listed in **Exhibits C** and **D** are explained in detail in the following paragraphs.

During our review of the Boosters' bank statements, we identified 45 debit card purchases from Walmart between September 15, 2014 and September 30, 2017. The purchases totaled \$4,153.91. While a limited number of receipts were available in the Boosters' records, many were not. As a result, we contacted Walmart and requested information regarding the specific purchases identified. Walmart provided the information requested for purchases on and after February 25, 2016 but was not able to provide information for the purchases prior to that date. The items identified using the receipts available from the Boosters' records and information obtained directly from Walmart are listed in **Exhibit C**.

As illustrated by **Exhibit C**, we identified 7 purchases of items which were reasonable for the Boosters' operations. However, we also identified 13 purchases that included items which were personal in nature. For these 13 purchases, we determined:

- The purchase made on October 17, 2015 was made in Ankeny, IA on a date of a band contest. The purchase included 3 large sandwiches which Boosters officials identified a reasonable purchase for the Boosters. However, the purchase also included a single bottle of soda, \$.19 worth of banana(s) and \$20.00 cash back. We confirmed with Boosters' officials these items would not have been for band members and the cash back would not have been authorized.
- The purchases made on August 15, 2016 and October 23, 2016 included money orders which totaled \$520.72 and \$813.99, respectively, without the fees. However, as illustrated by the **Exhibit**, a portion of each of these purchases was paid for by a source other than the Boosters' debit card. The information obtained from Walmart was not sufficient to identify the source(s).
- 2 Walmart debit cards were loaded for \$300.00 and 2 thank you cards were purchased on September 8, 2016. According to minutes of the Boosters' September 7, 2016 meeting, the Boosters authorized giving 2 individuals gift cards for their efforts "with the State Fair cleanings." These cleanings resulted in a large donation to the Boosters. As a result, the September 8, 2016 purchase is identified as reasonable in **Exhibit C**.
- Purchases were made on Thursday, November 24, 2016 (Thanksgiving Day); Friday, November 25, 2016, and Sunday, November 27, 2016. The purchases totaled \$230.66, \$139.88, and \$110.30, respectively, and included items such as DVDs, Bluetooth items, an Xbox controller, Pokémon and Xbox games, clothing, and groceries. Boosters officials we spoke with stated none of the items purchased on these days were related to Booster operations.
- Purchases made on December 18, 2016, December 19, 2016, and December 20, 2016 each included \$100.00 change or cash back returned to the purchaser. The items purchased on these dates included 4 gift cards for \$20.00 each, cigarettes, groceries, clothing, over-the-counter medication, gift wrap, and holiday decorations.

As illustrated by **Exhibit C**, the items of a personal nature identified total \$2,079.63. Each of these items was reviewed with Boosters' officials who reported there was not a valid reason for the purchase. The personal purchases are included in **Exhibit A** as improper disbursements.

As previously stated, we identified 45 debit card purchases from Walmart between September 15, 2014 and September 30, 2017. However, receipts were available from the Boosters' records and information was obtained directly from Walmart for only 20 of the purchases because Walmart was unable to provide documentation for purchases prior to February 2016. As illustrated by **Exhibit C**, the purchases for which information is available total \$2,858.90. Because we were unable to determine the items purchased for the 25 remaining transactions from Walmart, the \$1,295.01 total of these purchases is included in **Exhibit A** as unsupported disbursements.

The improper and unsupported purchases listed in **Exhibit D** were identified based on the vendor, any available supporting documentation, and discussions with Boosters officials. As illustrated

by the **Exhibit**, we identified 5 improper and 8 unsupported purchases from other vendors. The improper purchases identified include:

- 2 purchases made at Thirty-One Gifts for a total of \$356.85, including a \$341.00 purchase on August 17, 2016 and a \$15.85 purchase on November 13, 2016. According to Boosters' officials we spoke with, Ms. Grove was a Thirty-One Gifts consultant.
- A payment to Discover Bank for \$1,177.04 on December 19, 2017. The Boosters did not have a credit card and did not make any purchases with a credit card.
- An \$81.85 purchase at Zenni Optical. The website for the vendor states Zenni Optical is an online optical vendor which sells prescription eyeglasses, prescription sunglasses, non-prescription sunglasses, sports glasses, and goggles online.
- A \$49.98 purchase from Sun Frog on December 7, 2016. Sun Frog is a custom t-shirt and apparel vendor which also sells items such as hoodies, mugs, and phone cases.

When we compared the 5 disbursements to information recorded in the Treasurer's reports, we determined none of the 5 purchases were listed in the Boosters' accounting records. Additionally, the Boosters officials we spoke with stated the Boosters would have no need to make purchases from or payments to any of these vendors.

The 8 unsupported transactions listed in **Exhibit D** includes purchases from vendors for which sufficient information was not available for us to determine if the purchase was for Boosters operations or personal in nature. The vendors for these disbursements include Hy-Vee, Staples, and Dollar Tree. Boosters officials we spoke with stated it is possible something may have been bought for the Boosters operations from these vendors.

The \$1,665.72 of improper disbursements and \$190.80 of unsupported disbursements listed in **Exhibit D** are also included in **Exhibit A**.

OTHER ADMINISTRATIVE ISSUES

When we interviewed the Boosters' current Treasurer and current President, we asked about Ms. Grove's responsibilities and how she carried them out. Information provided by the officials regarding the Treasurer's Reports she prepared, the lack of bank reconciliations, and financial oversight provided is summarized in the following paragraphs.

Treasurer's Reports - Ms. Grove was responsible for preparing the monthly Treasurer's Report to be presented at Boosters meetings. However, she did not prepare a report for every month. In addition, the Treasurer's Reports available frequently included incomplete information. During our review of the reports, we identified collections and disbursements which were not included in the accounting records.

According to Boosters officials we spoke with, no one performed an independent review of the Treasurer's Reports and Boosters officials were never provided with bank statements to compare to the Treasurer's Reports. Booster officials also indicated near the end of Ms. Grove's tenure as the Booster Treasurer, she did not attend many meetings and did not send Booster officials the monthly Treasurer's Report in a timely manner.

Bank Reconciliations - The bank reconciliations available from the accounting software used by the Boosters were not consistently accurate during the period Ms. Grove held the Treasurer's position. We identified instances of unrecorded transactions in the accounting records and instances where small amounts, such as the interest earned on the accounts, did not match between the Treasurer's Report and the bank statement. There were also several fundraising events, food sales, and other miscellaneous collections recorded in the Treasurer's Report which

were not deposited to the bank. Boosters officials we spoke with stated they did not receive bank statements to compare bank statements to the Treasurer's Reports for the Boosters' accounts.

Financial Oversight – When we spoke with the Boosters' current Treasurer and President, they stated prior to the notification from Ms. Grove's attorney they had never received or requested any bank statements to compare to Treasurer's Reports. They also stated the Treasurer was in charge of all of the money collected.

The Boosters officials also reported they subsequently established controls over financial transactions. All Booster officials have a fiduciary responsibility to the organization to safeguard the organization's funds. However, the lack of internal controls and financial oversight allowed the undeposited collections and improper disbursements summarized in **Exhibit A** to occur over an extended period of time and remain undetected.

Recommended Control Procedures

As part of our investigation, we reviewed the procedures used by the Saydel Community School District Music Boosters to perform bank reconciliations and process receipts and disbursements. 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 Boosters' internal controls.

- A. Segregation of Duties – An important aspect of internal control is the segregation of duties among members to prevent an individual from handling duties which are incompatible. The former Treasurer had control over each of the following areas:
- (1) Receipts – collecting, posting to accounting records, and preparing and making bank deposits,
 - (2) Disbursements – making certain purchases, maintaining supporting documentation, preparing, 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 Treasurer's Reports.

Recommendation – We realize segregation of duties is difficult with a limited number of individuals involved. However, the duties within each function listed above should be segregated between the Boosters' Treasurer and other Booster members. In addition, Boosters officials should review financial records, perform reconciliations, and examine supporting documentation for financial transactions on a periodic basis.

- B. Disbursements – During our review of the Boosters' disbursements, the following were identified:
- (1) Disbursements were not always supported by invoices or other documentation.
 - (2) Disbursements were not approved by Boosters officials and/or members.
 - (3) Unauthorized cash withdrawals were made from the Boosters' checking account.
 - (4) Certain disbursements were made using a debit card and cash withdrawals were made from the accounts.

Recommendation – All Booster disbursements should be made by check, signed by an authorized signer, and should be approved by members of the Boosters prior to disbursement. The Boosters should discontinue the use of a debit card and cash withdrawals. In addition, detailed supporting invoices and/or receipts should be maintained for all disbursements.

- C. Cash Receipts or Initial Listing – The former Boosters’ Treasurer did not prepare receipts or an initial listing of all collections. Receipts and initial listings provide a basis for an independent reviewer to compare the amount of checks and cash received to the amount deposited. In addition, sufficient documentation was not maintained of what was included in deposits made to the Boosters’ bank accounts.

Recommendation – Receipts and initial listings should be prepared listing all checks and cash received. Sufficient documentation should also be maintained of what is included in deposits made to the Boosters’ bank accounts. An individual independent of the receipt and deposit process should compare the receipts and listings to the amounts subsequently deposited and the review should be documented by the reviewer’s signature or initials and the date of the review.

At least 2 Booster members should count all donations during concerts immediately after “pass the hat” collections and document the amount received. Both members should sign the receipt document and all collections should be deposited intact and in the appropriate bank account.

Additionally, reconciliations should be performed for fundraisers which compare collections to products sold. At least 2 Booster members should count collections and document the amount received. Any differences should be reviewed and signed off by both Booster members.

- D. Financial Accounting Records – Very limited financial records were maintained by the former Boosters’ Treasurer during the period of our investigation. The following conditions were identified:

- Receipts and disbursements were not always posted to a ledger or other accounting system.
- Disbursements were not always approved or documented in the minutes of Boosters meetings.
- Monthly bank account reconciliations were not completed and bank statements were delivered to and reviewed by the individual responsible for disbursement and receipts of the Boosters’ funds.
- Treasurer Reports were not accurate and were not properly prepared for each month.

Recommendation – Boosters officials should ensure sufficient financial records are maintained by the Boosters’ Treasurer. An individual independent of the receipt and deposit process should periodically review the ledger or other accounting system, compare disbursements to those approved during Boosters meetings, and review monthly bank reconciliations and Treasurer’s reports for accuracy and completeness.

Exhibits

Report on Special Investigation of the
Saydel Community School District Music Boosters

Summary of Findings
For the period August 1, 2014 through March 31, 2018

| Description | Exhibit/Table/ Page Number | Improper | Unsupported | Total |
|---|---------------------------------------|-----------------|--------------------|--------------|
| Undeposited collections: | | | | |
| Unrecorded collections | Table 1 | \$ 3,764.00 | - | 3,764.00 |
| Recorded collections | Table 2 | 8,861.05 | - | 8,861.05 |
| Subtotal | | 12,625.05 | - | 12,625.05 |
| Improper and unsupported disbursements: | | | | |
| Cash withdrawals | Exhibit B | 3,515.00 | - | 3,515.00 |
| Payments to vendors: | | | | |
| Walmart | Exhibit C & Page 11 | 2,079.63 | 1,295.01 | 3,374.64 |
| Other vendors | Exhibit D | 1,665.72 | 190.80 | 1,856.52 |
| Subtotal | | 7,260.35 | 1,485.81 | 8,746.16 |
| Total | | \$ 19,885.40 | 1,485.81 | 21,371.21 |

**Report on Special Investigation of the
Saydel Community School District Music Boosters**

Report on Special Investigation of the
Saydel Community School District Music Boosters

Cash Withdrawals
For the period August 1, 2014 through March 31, 2018

Per Bank Statements

| Date | Description | Amount |
|-------------|---|--------------------|
| 11/30/16 | EFT WITHDRAWAL IA DES MOINES 475 HOFFMAN LN US | \$ 400.00 |
| 01/08/17 | EFT WITHDRAWAL IA ANKENY 1201 S ANKENY BLVD US | 400.00 |
| 01/14/17 | EFT WITHDRAWAL IA ANKENY 1201 S ANKENY BLVD US | 400.00 |
| 01/15/17 | EFT WITHDRAWAL IA ANKENY 1201 S ANKENY BLVD US | 440.00 |
| 01/18/17 | EFT WITHDRAWAL IA ANKENY 1002 SE NATIONAL DR US | 202.00 |
| 01/22/17 | EFT WITHDRAWAL IA ANKENY 1201 S ANKENY BLVD US | 500.00 |
| 02/12/17 | EFT WITHDRAWAL IA ANKENY 902 SE ORLABOR ROA US | 302.00 |
| 02/15/17 | EFT WITHDRAWAL IA DES MOINES TRANSFUND US (<i>QuikTrip Store</i>) | 201.00 |
| 02/18/17 | EFT WITHDRAWAL IA ANKENY 1201 S ANKENY BLVD US | 400.00 |
| 02/19/17 | EFT WITHDRAWAL IA ANKENY 1201 S ANKENY BLVD US | 220.00 |
| 02/21/17 | EFT WITHDRAWAL IA DES MOINES 475 HOFFMAN LN US | 50.00 |
| Total | | <u>\$ 3,515.00</u> |

Note - Auditor's notations are in italics.

Report on Special Investigation of the
Saydel Community School District Music Boosters

Debit Card Purchases - Walmart
For the Period August 1, 2014 through March 31, 2018

| Per Bank Statement | | Per Wal-Mart | |
|---------------------------|---------------|---------------------|--|
| Date | Amount | Visit Date | Description |
| 10/17/15 | 123.78 | 10/17/15 | Pepsi Ia Deposit Bananas .33 lbs @ 1 lb/.057 Sandwich Sandwich Sandwich Debit Cash Back Tax |
| 02/25/16 | 35.91 | 02/25/16 | HP #27 (C8727) BLACK INK CARTRIDGE ALL PURPOSE ZIPPER BAG Tax |
| 05/11/16 | 26.47 | 05/11/16 | HP #27 (C8727) BLACK INK CARTRIDGE Tax |
| 08/15/16 | 321.42 | 08/15/16 | MGI MONEY ORDER FACE MONEY ORDER FEE Paid by other source than Boosters |
| 08/25/16 | 26.47 | 08/25/16 | HP #27 (C8727) BLACK INK CARTRIDGE Tax |

| Unit Qty | Retail Price | Improper | Reasonable |
|-----------------|---------------------|-----------------|-------------------|
| | 1.68 | 1.68 | - |
| | 0.05 | 0.05 | - |
| | 0.19 | 0.19 | - |
| | 32.00 | - | 32.00 |
| | 32.00 | - | 32.00 |
| | 32.00 | - | 32.00 |
| | 20.00 | 20.00 | |
| | 5.86 | 0.10 | 5.76 |
| | <u>123.78</u> | | |
| 1.00 | 24.97 | - | 24.97 |
| 3.00 | 8.91 | - | 8.91 |
| | 2.03 | - | 2.03 |
| | <u>35.91</u> | | |
| 1.00 | 24.97 | - | 24.97 |
| | 1.50 | - | 1.50 |
| | <u>26.47</u> | | |
| 1.00 | 520.72 | 520.72 | - |
| 1.00 | 0.70 | 0.70 | - |
| | (200.00) | (200.00) | - |
| | <u>321.42</u> | | |
| 1.00 | 24.97 | - | 24.97 |
| | 1.50 | - | 1.50 |

Report on Special Investigation of the
Saydel Community School District Music Boosters

Debit Card Purchases - Walmart
For the Period August 1, 2014 through March 31, 2018

| Per Bank Statement | | Per Wal-Mart | |
|---------------------------|---------------|---------------------|--|
| Date | Amount | Visit Date | Description |
| 09/08/16 | 313.00 | 09/08/16 | WF DEBIT CARD LOADS CARD THANKS WMT ED GC VL HEART GIFT FOR YOU GDB CARD THANKS VALUE Tax |
| 09/22/16 | 19.69 | 09/22/16 | EQUATE IBUPROFEN 20CT SOFT GELS RICOLA CHERRY HONEY NATURAL THROAT DROPS EQUATE MOISTURE LAST 2OZ EQ CL CASE 1PK EQUATE ACETAMINOPHEN 500MG CAPLET 24CT Tax |
| 10/01/16 | 141.24 | 10/01/16 | 4 FOOT SUB SANDWICH 6 FOOT SUB SANDWICH <i>DETAIL NOT PROVIDED</i> |
| 10/23/16 | 429.98 | 10/23/16 | MGI EXPRESS PAY FACE MGI EXPRESS PAY FEE Paid by other source than Boosters |

| Unit Qty | Retail Price | Improper | Reasonable |
|-----------------|---------------------|-----------------|-------------------|
| | 26.47 | | |
| 2.00 | 300.00 | - | 300.00 |
| 1.00 | 0.97 | - | 0.97 |
| 2.00 | 9.88 | - | 9.88 |
| 1.00 | 1.97 | - | 1.97 |
| | 0.18 | - | 0.18 |
| | 313.00 | | |
| 1.00 | 2.78 | - | 2.78 |
| 2.00 | 3.84 | - | 3.84 |
| 3.00 | 7.44 | - | 7.44 |
| 2.00 | 2.56 | - | 2.56 |
| 2.00 | 1.96 | - | 1.96 |
| | 1.11 | - | 1.11 |
| | 19.69 | | |
| 2.00 | 56.00 | - | 56.00 |
| 2.00 | 76.00 | - | 76.00 |
| | 9.24 | - | 9.24 |
| | 141.24 | | |
| 1.00 | 813.99 | 813.99 | - |
| 1.00 | 15.99 | 15.99 | - |
| | (400.00) | (400.00) | - |

Report on Special Investigation of the
Saydel Community School District Music Boosters

Debit Card Purchases - Walmart
For the Period August 1, 2014 through March 31, 2018

| Per Bank Statement | | Per Wal-Mart | |
|---------------------------|---------------|---------------------|---|
| Date | Amount | Visit Date | Description |
| 11/02/16 | 75.41 | 11/02/16 | PEN & GEAR 2 INCH EXPANDING MANILA FILE ASST COLORS COMPACT STAPLER PAD-30 LEATHERETTE PADFOLIO FIVE STAR 6PKT VERT EXPANDING FILE HP 63 COMBO PACK ENERGEL PEARL NEEDLE TIP VIOLET 2 PACK Tax |
| 11/04/16 | 120.66 | 11/04/16 | PREMIUM BANANAS CHAPSTICK TRIPLE PACK HOLIDAY 0.45OZ CHAPSTICK PUMPKIN PIE TRIPLE PACK 0.45OZ 25W GREEN PARTY BULB 1PK AXE FEMALE ANARCHY GIFT BAG AXE ANARCHY GIFT BAG WILD COLLECTION BEARGLOVE DEO HOLIDAY RED PAWS TSHIRT SMALL SANTA SNOWMAN PENGUIN REINDEER CHAPSTICK CANDY CANE 3CT BLISTER CARD FOIL LET IT SNOW PATH MARKER FOIL TREE PATH MARKER |

| Unit Qty | Retail Price | Improper | Reasonable |
|-----------------|---------------------|-----------------|-------------------|
| | 429.98 | | |
| 1.00 | 3.82 | - | 3.82 |
| 1.00 | 1.97 | - | 1.97 |
| 1.00 | 19.97 | - | 19.97 |
| 1.00 | 5.94 | - | 5.94 |
| 1.00 | 35.97 | - | 35.97 |
| 1.00 | 3.47 | - | 3.47 |
| | 4.27 | - | 4.27 |
| | 75.41 | | |
| 2.07 | 1.18 | 1.18 | - |
| 1.00 | 2.94 | 2.94 | - |
| 1.00 | 2.94 | 2.94 | - |
| 2.00 | 1.92 | 1.92 | - |
| 1.00 | 14.88 | 14.88 | - |
| 1.00 | 14.88 | 14.88 | - |
| 1.00 | 3.97 | 3.97 | - |
| 1.00 | 3.82 | 3.82 | - |
| 1.00 | 2.97 | 2.97 | - |
| 1.00 | 2.97 | 2.97 | - |
| 1.00 | 2.97 | 2.97 | - |
| 1.00 | 2.97 | 2.97 | - |
| 1.00 | 2.94 | 2.94 | - |
| 1.00 | 1.97 | 1.97 | - |
| 1.00 | 1.97 | 1.97 | - |

Report on Special Investigation of the
Saydel Community School District Music Boosters

Debit Card Purchases - Walmart
For the Period August 1, 2014 through March 31, 2018

| Per Bank Statement | | Per Wal-Mart | |
|---------------------------|---------------|---------------------|--|
| Date | Amount | Visit Date | Description |
| | | | FOIL SANTA STOP PATH MARKER |
| | | | WHITE CUP W FLAKE |
| | | | WHITE CUP W POLAR |
| | | | SW YODA STOCKING. |
| | | | SW BB-8 STOCKING. |
| | | | SW CHEWIE STOCKING. |
| | | | INSP 18 B/W WREATH. |
| | | | FUN 18 MIN SLIM WHT. |
| | | | BRACH'S CHERRY CANDY CANE 6 OZ |
| | | | NEW! BIC SOLEIL TWILIGHT |
| | | | FIXODENT PLUS SCOPE W/CONTROL TIP |
| | | | Tax |
| 11/24/16 | 230.66 | 11/24/16 | IT'S A WONDERFUL LIFE DVD |
| | | | POKMON ALPHA SAPPHIRE |
| | | | POKÂMON OMEGA RUBY |
| | | | LG TONE PRO BLUETOOTH HEADSET |
| | | | WARRANTY PLAN |
| | | | WARRANTY PLAN |
| | | | JOKER POLY SUBLIMATED MENS TEE LARGE |
| | | | VALET DRAWER WITH CHARGING STATION |
| | | | XB1 WWE 2K17 |
| | | | JOKER TEXT QUICK TURN MENS PANT XLARGE |
| | | | GHOSTBUSTERS (2016) BD+DC STD WS |
| | | | RIDE ALONG 2 DVD STD WS EXCL |

| Unit Qty | Retail Price | Improper | Reasonable |
|-----------------|---------------------|-----------------|-------------------|
| 1.00 | 1.97 | 1.97 | - |
| 1.00 | 0.97 | 0.97 | - |
| 1.00 | 0.97 | 0.97 | - |
| 1.00 | 7.98 | 7.98 | - |
| 1.00 | 7.98 | 7.98 | - |
| 1.00 | 7.98 | 7.98 | - |
| 1.00 | 4.92 | 4.92 | - |
| 1.00 | 4.92 | 4.92 | - |
| 1.00 | 1.08 | 1.08 | - |
| 1.00 | 5.47 | 5.47 | - |
| 1.00 | 4.37 | 4.37 | - |
| | 6.76 | 6.76 | - |
| | <u>120.66</u> | | |
| 1.00 | 3.96 | 3.96 | - |
| 1.00 | 25.00 | 25.00 | - |
| 1.00 | 25.00 | 25.00 | - |
| 1.00 | 29.00 | 29.00 | - |
| 1.00 | 2.00 | 2.00 | - |
| 1.00 | 4.00 | 4.00 | - |
| 1.00 | 9.92 | 9.92 | - |
| 1.00 | 9.94 | 9.94 | - |
| 1.00 | 27.00 | 27.00 | - |
| 1.00 | 11.93 | 11.93 | - |
| 1.00 | 9.96 | 9.96 | - |
| 1.00 | 3.96 | 3.96 | - |

Report on Special Investigation of the
Saydel Community School District Music Boosters

Debit Card Purchases - Walmart
For the Period August 1, 2014 through March 31, 2018

| Per Bank Statement | | Per Wal-Mart | |
|---------------------------|---------------|---------------------|---|
| Date | Amount | Visit Date | Description |
| | | | 2016 MENS P2 POKEMON HOURS DVD+DC STD WS XB1 BLK WIRELESS CONTROLLER SAMSUNG HM1350 BLUETOOTH Tax |
| 11/25/16 | 139.88 | 11/25/16 | HERSHEY'S RED & GREEN KISSES ST LADIES LS SCP MF PJ SET ANIMAL NOBO MISSY JUNIOR SKINNY JEAN NOBO MISSY JUNIOR SKINNY JEAN SOR RED 3/16FESATIN SOR EME 3/16FESATIN WR ADV COMFORT STRAIGHT JEAN WR ADV COMFORT STRAIGHT JEAN SECRET TREASURES NB LS KNIT TOP BIG BOYS LICENSED SLEEPWEAR BIG BOYS LICENSED SLEEPWEAR BRACH'S PEPPERMINT CANDY CANE 6 OZ FADED GLORY WOMEN'S LIGHTWEIGHT SNOWMAN FADED GLORY WOMEN'S LIGHTWEIGHT CAT CHRI AND1 TWO PACK SHORT BLACK SLEET LARGE AND1 TWO PACK SHORT LIME PUNCH BLACK LAR |

| Unit Qty | Retail Price | Improper | Reasonable |
|-----------------|---------------------|-----------------|-------------------|
| 1.00 | 4.97 | 4.97 | - |
| 1.00 | 1.96 | 1.96 | - |
| 1.00 | 39.00 | 39.00 | - |
| 1.00 | 10.00 | 10.00 | - |
| | 13.06 | 13.06 | - |
| | <u>230.66</u> | | |
| 1.00 | 3.24 | 3.24 | - |
| 1.00 | 7.00 | 7.00 | - |
| 1.00 | 7.78 | 7.78 | - |
| 2.00 | 15.56 | 15.56 | - |
| 1.00 | 0.47 | 0.47 | - |
| 1.00 | 0.47 | 0.47 | - |
| 1.00 | 8.50 | 8.50 | - |
| 1.00 | 8.50 | 8.50 | - |
| 1.00 | 12.00 | 12.00 | - |
| 1.00 | 6.88 | 6.88 | - |
| 1.00 | 4.75 | 4.75 | - |
| 1.00 | 4.75 | 4.75 | - |
| 2.00 | 2.16 | 2.16 | - |
| 1.00 | 3.00 | 3.00 | - |
| 1.00 | 3.00 | 3.00 | - |
| 1.00 | 7.00 | 7.00 | - |
| 1.00 | 7.00 | 7.00 | - |

Report on Special Investigation of the
Saydel Community School District Music Boosters

Debit Card Purchases - Walmart
For the Period August 1, 2014 through March 31, 2018

| Per Bank Statement | | Per Wal-Mart | |
|---------------------------|---------------|---------------------|--|
| Date | Amount | Visit Date | Description |
| | | | HERSHEY MINIATURES GUSSET 36OZ |
| | | | BIG BANG THEORY, THE: THE COM DVD STD WS |
| | | | BIG BANG THEORY, THE: THE COM DVD STD WS |
| | | | Tax |
| 11/27/16 | 110.30 | 11/27/16 | REESE PB TREES 6PK |
| | | | AEROSMITH 20TH CENTURY MASTERS |
| | | | MERCHANDISE |
| | | | GREATEST HITS |
| | | | AE YOGURT STRAWBERRY/BANANA |
| | | | AE NB 2 PK FLEECE LEGGING |
| | | | 18FT PRELIT MULTI GARLAND |
| | | | GREAT VALUE 8OZ XSHARP CHED CHUNK CHEESE |
| | | | DAUGHTRY DAUGHTRY |
| | | | 1LB 80/20 GROUND BEEF CHUCK ROLL |
| | | | MS FLEECE THROW ALMA AZTEC |
| | | | CASE LOGIC HIGH ZOOM COMPACT CAMERA CASE |
| | | | MP LAMB CHOP SMALL |
| | | | LASER LENS CLEANER |
| | | | MAINSTAYS FLEECE THROW ZEBRA |
| | | | ST 5PK SEAMLESS PANTY CWSSA XL-8 |
| | | | HOLIDAY SUNGLASS DOG TOY |
| | | | SNFLK WH TABCOVER |

| Unit Qty | Retail Price | Improper | Reasonable |
|-----------------|---------------------|-----------------|-------------------|
| 1.00 | 9.98 | 9.98 | - |
| 1.00 | 9.96 | 9.96 | - |
| 1.00 | 9.96 | 9.96 | - |
| | 7.92 | 7.92 | - |
| | <u>139.88</u> | | |
| 1.00 | 3.88 | 3.88 | - |
| 1.00 | 3.97 | 3.97 | - |
| 1.00 | 9.00 | 9.00 | - |
| 1.00 | 9.00 | 9.00 | - |
| 6.00 | 3.42 | 3.42 | - |
| 1.00 | 7.00 | 7.00 | - |
| 1.00 | 12.96 | 12.96 | - |
| 1.00 | 2.22 | 2.22 | - |
| 1.00 | 5.00 | 5.00 | - |
| 1.00 | 2.87 | 2.87 | - |
| 1.00 | 2.50 | 2.50 | - |
| 1.00 | 19.84 | 19.84 | - |
| 1.00 | 2.72 | 2.72 | - |
| 1.00 | 5.88 | 5.88 | - |
| 1.00 | 2.50 | 2.50 | - |
| 1.00 | 6.44 | 6.44 | - |
| 1.00 | 2.82 | 2.82 | - |
| 1.00 | 0.97 | 0.97 | - |

Report on Special Investigation of the
Saydel Community School District Music Boosters

Debit Card Purchases - Walmart
For the Period August 1, 2014 through March 31, 2018

| Per Bank Statement | | Per Wal-Mart | |
|---------------------------|---------------|---------------------|--|
| Date | Amount | Visit Date | Description |
| | | | GV SNACK CRKR 13.7OZ Tax |
| 12/18/16 | 231.98 | 12/18/16 | GREAT VALUE QUART SLIDER 22CT GREAT VALUE GALLON SLIDER 17CT DOWNY LIQUID APRIL FRESH 51 FO PILLSBURY PIZZA CRUST THIN AE YOGURT STRAWBERRY/BANANA COOL WHIP EXTRA CREAMY FRENCH'S FRIED ONIONS 6 OZ PROGRESSO LIGHT BEEF POT ROAST PROGRESSO LIGHT CHICKEN NOODLE SOUP MRS. GRIMES CHILI BEANS 30 OZ GREAT VALUE FRENCH STYLE GREEN BNS 28OZ CAMPBELLS CHICKEN NOODLE SOUP BTS LABEL GREAT VALUE ENTREE CONTAINER 5CT GREAT VALUE HAZELNUT COFFEE CREAMER GROVE SQUARE FRENCH VANILLA CAPPUCINO 829 BNLS CKN BREAST RW RITZ CRACKER FRESH STACKS 11.8Z GREAT VALUE FRNCH VAN CFE 12CT PODS WM HOLIDAY 16 OH WHAT FUN HOLIDAY GIFT CARD WM HOLIDAY 16 NATIVITY |

| Unit Qty | Retail Price | Improper | Reasonable |
|-----------------|---------------------|-----------------|-------------------|
| 1.00 | 1.64 | 1.64 | - |
| | 5.67 | 5.67 | - |
| | <u>110.30</u> | | |
| 1.00 | 1.26 | 1.26 | - |
| 1.00 | 1.26 | 1.26 | - |
| 1.00 | 3.97 | 3.97 | - |
| 1.00 | 2.33 | 2.33 | - |
| 5.00 | 2.85 | 2.85 | - |
| 2.00 | 1.96 | 1.96 | - |
| 1.00 | 3.46 | 3.46 | - |
| 1.00 | 1.36 | 1.36 | - |
| 1.00 | 1.36 | 1.36 | - |
| 2.00 | 2.34 | 2.34 | - |
| 2.00 | 1.76 | 1.76 | - |
| 4.00 | 3.44 | 3.44 | - |
| 1.00 | 2.17 | 2.17 | - |
| 1.00 | 1.74 | 1.74 | - |
| 1.00 | 5.78 | 5.78 | - |
| 1.44 | 4.94 | 4.94 | - |
| 1.00 | 2.24 | 2.24 | - |
| 1.00 | 4.12 | 4.12 | - |
| 1.00 | 20.00 | 20.00 | - |
| 1.00 | 20.00 | 20.00 | - |
| 1.00 | 20.00 | 20.00 | - |

Report on Special Investigation of the
Saydel Community School District Music Boosters

Debit Card Purchases - Walmart
For the Period August 1, 2014 through March 31, 2018

| Per Bank Statement | | Per Wal-Mart | |
|---------------------------|---------------|---------------------|--|
| Date | Amount | Visit Date | Description |
| | | | WM HOLIDAY 16 NIGHT SLEIGH |
| | | | GREAT VALUE MED CHEDDAR SHRED 16 OZ |
| | | | CHANGE |
| | | | Tax |
| 12/19/16 | 153.22 | 12/19/16 | MARL SMOOTH 1PK |
| | | | GREAT VALUE 12OZ FOAM BOWL 50 CT |
| | | | EQ TUSSIN DM LIQ 4 OZ |
| | | | WILD CHERRY PEPSI 8 PACK/ 2 LITER |
| | | | IA SNGLE BOTTLE DEP. |
| | | | IA 6PK BOTTLE DEP |
| | | | SPRITE .5LTR6PK |
| | | | DOLE PINEAPPLE CRU IN JCE |
| | | | GREAT VALUE DISH TAB FRESH 12CT |
| | | | MINIONS POPCORN TIN |
| | | | WLMT 4R 300CT WH TISSUE |
| | | | REESE'S PRINTED PEANUT BUTTER CUPS 9.6OZ |
| | | | 12`` CONTAINER SNOWMAN |
| | | | REYNOLDS WAX PAPER 75 SQUARE FOOT |
| | | | <i>DETAIL NOT PROVIDED</i> |
| | | | CHANGE |
| | | | Tax |

| Unit Qty | Retail Price | Improper | Reasonable |
|-----------------|---------------------|-----------------|-------------------|
| 1.00 | 20.00 | 20.00 | - |
| 1.00 | 3.12 | 3.12 | - |
| | 100.00 | 100.00 | - |
| | 0.52 | 0.52 | - |
| | <u>231.98</u> | | |
| 2.00 | 10.58 | 10.58 | - |
| 1.00 | 1.74 | 1.74 | - |
| 1.00 | 2.38 | 2.38 | - |
| 1.00 | 1.00 | 1.00 | - |
| 1.00 | 0.05 | 0.05 | - |
| 1.00 | 0.30 | 0.30 | - |
| 1.00 | 2.50 | 2.50 | - |
| 1.00 | 1.00 | 1.00 | - |
| 1.00 | 1.97 | 1.97 | - |
| 1.00 | 5.00 | 5.00 | - |
| 1.00 | 1.82 | 1.82 | - |
| 1.00 | 3.24 | 3.24 | - |
| 2.00 | 5.92 | 5.92 | - |
| 1.00 | 1.43 | 1.43 | - |
| - | 12.23 | 12.23 | - |
| | 100.00 | 100.00 | - |
| | 2.06 | 2.06 | - |
| | <u>153.22</u> | | |

Report on Special Investigation of the
Saydel Community School District Music Boosters

Debit Card Purchases - Walmart
For the Period August 1, 2014 through March 31, 2018

| Per Bank Statement | | Per Wal-Mart | |
|---------------------------|---------------|---------------------|--|
| Date | Amount | Visit Date | Description |
| 12/20/16 | 160.59 | 12/20/16 | MARL SMOOTH 1PK CRISCO REG SHORTENING 48 OZ PLANTERS REG MXD NUTS 10.3OZ GREAT VALUE 10CT SF GRAPE ENERGY RUBBERMAID EASY FIND LID DIVIDED PILLSBURY ORANGE ALL STAR FROSTING JUICY FRUIT BUBBLE GUM ORIG HRSHY ICE BRKR WNTRGN BTL MAINSTAYS NL 4PK 3.75C ENTREE JUNIOR NB OPP CAMI EQUATE ACETAMINOPHEN 500MG CAPLET 24CT FADED GLORY KNIT JEGGING FG THERMAL CHANGE Tax |
| 12/26/16 | 65.12 | 12/26/16 | HERSHEY ASSORTMENT BAG PREMIUM BANANAS IA SNGLE BOTTLE DEP. PEPSI 20 FO BOTTLE HOHO/SNTA GEL CLING SANTA/SLEIGH GEL CLING MERRY CHRISTMAS GEL CLING 100CT WHITE |

| Unit Qty | Retail Price | Improper | Reasonable |
|-----------------|---------------------|-----------------|-------------------|
| 2.00 | 10.58 | 10.58 | - |
| 1.00 | 4.98 | 4.98 | - |
| 1.00 | 4.38 | 4.38 | - |
| 1.00 | 1.23 | 1.23 | - |
| 2.00 | 10.74 | 10.74 | - |
| 1.00 | 1.23 | 1.23 | - |
| 2.00 | 1.00 | 1.00 | - |
| 1.00 | 2.98 | 2.98 | - |
| 1.00 | 1.98 | 1.98 | - |
| 1.00 | 1.68 | 1.68 | - |
| 1.00 | 0.98 | 0.98 | - |
| 1.00 | 9.00 | 9.00 | - |
| 1.00 | 7.00 | 7.00 | - |
| | 100.00 | 100.00 | - |
| | 2.83 | 2.83 | - |
| | 160.59 | | |
| 1.00 | 3.49 | 3.49 | - |
| 2.34 | 1.33 | 1.33 | - |
| 1.00 | 0.05 | 0.05 | - |
| 1.00 | 1.68 | 1.68 | - |
| 1.00 | 0.73 | 0.73 | - |
| 1.00 | 1.48 | 1.48 | - |
| 1.00 | 1.48 | 1.48 | - |
| 1.00 | 1.48 | 1.48 | - |

Report on Special Investigation of the
Saydel Community School District Music Boosters

Debit Card Purchases - Walmart
For the Period August 1, 2014 through March 31, 2018

| Per Bank Statement | | Per Wal-Mart | |
|---------------------------|---------------|---------------------|--|
| Date | Amount | Visit Date | Description |
| | | | WORDS W/SNOWMAN GEL CLING |
| | | | MERRY CHRISTMAS GEL CLIN |
| | | | BATTERY OPERATED OUTDOOR LED SNOWMAN |
| | | | BATTERY OPERATED OUTDOOR LED 36IN TREE |
| | | | MERRY CMAS STAKE SIGN |
| | | | JOLLY STAKE SIGN |
| | | | SNOWMAN STAKE SIGN |
| | | | 10PK MERRY CMAS GIFT BOX |
| | | | 3PK JVY SNT/RDR GIFT BOX |
| | | | MERCMAS RED GIFTWRAP |
| | | | 40 P BL SANTA |
| | | | 40 P BLU FLK |
| | | | 40" SCRPT BLKS WRAP. |
| | | | 40" SANTA PHOTO WRAP. |
| | | | GN 30CT 2P RED SNWFLK |
| | | | OVAL PLTR 10CT RED SNWFLK |
| | | | LADIES CHRISTMAS TEE |
| | | | HAPPY 2017 NEON ASSORTMENT FOR 10 PEOPLE |
| | | | Tax |
| 02/17/17 | 72.00 | 02/17/17 | AVEENO DAILY MOISTURIZING LOTION 1 OZ |
| | | | WOOD DOWEL RODS 16PC 3/16 |
| | | | COATS POLYESTER ALL PURPOSE ZIPPER 20IN |
| | | | CLOROX DISINFECTING WIPES TO-GO POUCH |

| Unit Qty | Retail Price | Improper | Reasonable |
|-----------------|---------------------|-----------------|-------------------|
| 1.00 | 1.48 | 1.48 | - |
| 1.00 | 1.48 | 1.48 | - |
| 1.00 | 9.42 | 9.42 | - |
| 1.00 | 9.42 | 9.42 | - |
| 1.00 | 0.49 | 0.49 | - |
| 2.00 | 0.98 | 0.98 | - |
| 1.00 | 0.49 | 0.49 | - |
| 1.00 | 1.73 | 1.73 | - |
| 1.00 | 0.98 | 0.98 | - |
| 1.00 | 1.23 | 1.23 | - |
| 1.00 | 1.23 | 1.23 | - |
| 1.00 | 1.23 | 1.23 | - |
| 1.00 | 1.23 | 1.23 | - |
| 1.00 | 1.23 | 1.23 | - |
| 1.00 | 1.48 | 1.48 | - |
| 2.00 | 2.96 | 2.96 | - |
| 1.00 | 2.75 | 2.75 | - |
| 1.00 | 9.98 | 9.98 | - |
| | 3.61 | 3.61 | - |
| | <u>65.12</u> | | |
| 6.00 | 5.82 | 5.82 | - |
| 1.00 | 0.97 | 0.97 | - |
| 1.00 | 1.77 | 1.77 | - |
| 6.00 | 5.82 | 5.82 | - |

Report on Special Investigation of the
Saydel Community School District Music Boosters

Debit Card Purchases - Walmart
For the Period August 1, 2014 through March 31, 2018

| Per Bank Statement | | Per Wal-Mart | |
|---------------------------|---------------|---------------------|---|
| Date | Amount | Visit Date | Description |
| | | | 2PC DENIM IRON ON PATCH |
| | | | NOTE GEN BD |
| | | | STICKO SILHOUETTE MUSIC NOTES CLASSIC |
| | | | STICKO 4TH OF JULY STAR REPEATS CLASSIC |
| | | | ALPHA SWEETHEART SCRIPT BLACK SMALL |
| | | | STICKO MINI FLOWERS CLASSIC |
| | | | EQUATE ANTI BAC GEL |
| | | | TISSUE 6SHT SOLID CERISE |
| | | | AG TISS SOLID WHITE 6 S |
| | | | PURPLE BASKET |
| | | | WIRE WREATH HEART 16 INCH |
| | | | PHOTO BOX |
| | | | PHOTO BOX |
| | | | NYM CLEAN FREAK DRY SHAMPOO TRAVEL SIZE |
| | | | LARGE EYELET TOOL |
| | | | LARGE EYELET ANT BRASS |
| | | | PM PROFILE 8 CT-ASST |
| | | | STKR EASTER ANIMALS |
| | | | TINY GLITTER BTTRFLS CLASSIC |
| | | | 2 HEART CONTAINER |
| | | | AG RED 6 SHT |
| | | | EASTER GEL CLING WITH EGG PATTERN |
| | | | 3"X3" NEON CUBE NOTES- ASSORTED COLORS |
| | | | Tax |

| Unit Qty | Retail Price | Improper | Reasonable |
|-----------------|---------------------|-----------------|-------------------|
| 1.00 | 1.00 | 1.00 | - |
| 1.00 | 4.97 | 4.97 | - |
| 1.00 | 0.97 | 0.97 | - |
| 1.00 | 0.97 | 0.97 | - |
| 1.00 | 0.97 | 0.97 | - |
| 1.00 | 0.97 | 0.97 | - |
| 7.00 | 6.79 | 6.79 | - |
| 1.00 | 0.98 | 0.98 | - |
| 1.00 | 0.98 | 0.98 | - |
| 1.00 | 0.98 | 0.98 | - |
| 2.00 | 5.54 | 5.54 | - |
| 1.00 | 1.00 | 1.00 | - |
| 5.00 | 5.00 | 5.00 | - |
| 1.00 | 2.64 | 2.64 | - |
| 1.00 | 1.77 | 1.77 | - |
| 1.00 | 2.47 | 2.47 | - |
| 1.00 | 4.97 | 4.97 | - |
| 1.00 | 0.98 | 0.98 | - |
| 1.00 | 0.97 | 0.97 | - |
| 3.00 | 0.72 | 0.72 | - |
| 1.00 | 0.98 | 0.98 | - |
| 1.00 | 0.98 | 0.98 | - |
| 2.00 | 5.94 | 5.94 | - |
| | 4.08 | 4.08 | - |
| | <u>72.00</u> | | |

Report on Special Investigation of the
Saydel Community School District Music Boosters

Debit Card Purchases - Walmart
For the Period August 1, 2014 through March 31, 2018

| Per Bank Statement | | Per Wal-Mart | |
|---------------------------|---------------|---------------------|--|
| Date | Amount | Visit Date | Description |
| 02/18/17 | 61.12 | 02/18/17 | IA SINGLE BOTTLE DEP. CHER PEPSI 20 FO. ATC FUSE KIT WITH PULLER MICRO PARTICLE REDUCTION FILTER 16X20 HP 63 COMBO PACK Tax |
| Total | \$ 2,858.90 | | |

| Unit Qty | Retail Price | Improper | Reasonable |
|-----------------|---------------------|-----------------|-------------------|
| 1.00 | 0.05 | 0.05 | - |
| 1.00 | 1.78 | 1.78 | - |
| 1.00 | 3.98 | 3.98 | - |
| 1.00 | 15.88 | 15.88 | - |
| 1.00 | 35.97 | - | 35.97 |
| | 3.46 | 0.11 | 3.35 |
| | 61.12 | | |
| | <u>\$ 2,858.90</u> | <u>2,079.63</u> | <u>779.27</u> |

Report on Special Investigation of the
Saydel Community School District Music Boosters

Improper and Unsupported Disbursements - Other Vendors
For the period August 1, 2014 through March 31, 2018

| Date* | Check Number | Payee | Amount |
|--------------|-------------------------|-----------------------|--------------------|
| 11/24/15 | 3003 | SHR DRAFT | \$ 32.00 |
| 05/24/16 | ## | Hy-Vee | 19.08 |
| 06/11/16 | ## | Staples | 34.97 |
| 06/24/16 | ## | Casey's General Store | 25.77 |
| 08/17/16 | ## | Thirty-One Gifts | 341.00 |
| 11/13/16 | ## | Thirty-One Gifts | 15.85 |
| 11/25/16 | ## | K-Mart | 37.06 |
| 11/27/16 | ## | Dollar Tree | 41.92 |
| 12/07/16 | ## | Sun Frog | 49.98 |
| 12/09/16 | ## | Zenni Optical | 81.85 |
| 12/19/17 | ## | Discover | <u>1,177.04</u> |
| Total | | | <u>\$ 1,856.52</u> |

- Debit card transaction.

* - For the debit card transactions, the date shown is the date the transaction was posted to the bank statement. For the remaining transaction, the date shown is the check date.

^ - Included on the Boosters' Treasurers Report.

| <u>Improper</u> | <u>Unsupported</u> |
|-----------------|--------------------|
| - | 32.00 ^ |
| - | 19.08 |
| - | 34.97 |
| - | 25.77 |
| 341.00 | - |
| 15.85 | - |
| - | 37.06 |
| - | 41.92 |
| 49.98 | - |
| 81.85 | - |
| <u>1,177.04</u> | - |
| <u>1,665.72</u> | <u>190.80</u> |

Report on Special Investigation of the
Saydel Community School District Music Boosters

Staff

This special investigation was performed by:

Jennifer Campbell, CPA, Manager
Katherine L. Rupp, CPA, Manager
Marcus B. Johnson, Staff Auditor
Erin M. Wittrock, Assistant Auditor


Annette K. Campbell, CPA
Deputy Auditor of State