

OFFICE OF AUDITOR OF STATE
STATE OF IOWA

State Capitol Building
Des Moines, Iowa 50319-0004

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

Rob Sand
Auditor of State

NEWS RELEASE

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

FOR RELEASE April 21, 2020

Auditor of State Rob Sand today released a report on a special investigation of the Des Moines County Sheriff's Office (Sheriff's Office) for the period January 1, 2016 through December 31, 2018. The special investigation was requested as a result of concerns regarding items purchased by the former Chief Deputy, Jeff White. Mr. White retired from the Sheriff's Office in December 2018.

Sand reported the special investigation identified \$7,438.84 of improper purchases, which was composed of items that were not necessary for the operations of the Sheriff's Office. Specifically, the improper purchases included laptops, a drone, an iPhone, and ammunition for firearms the Department does not own. Sand also reported, of the \$7,438.84 of improper purchases identified, two items costing \$99.00 and \$79.00 were returned to the vendor and the cost was refunded to the Sheriff's Office. In addition, \$3,151.96 of the items were subsequently returned to the Sheriff's Office, leaving \$4,286.88 of items which were not returned to or could not be located in the Sheriff's Office. Some of the items which remain unaccounted for include a Macbook Pro and ammunition for firearms.

The report includes recommendations to strengthen the Sheriff's Office's internal controls and overall operations, such as improvements to segregation of duties, maintain supporting documentation for all disbursements, and ensuring assets are properly tagged and included on the County's asset listing.

Copies of the report have been filed with the Division of Criminal Investigation, the Des Moines 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 website at <https://auditor.iowa.gov/reports/audit-reports/>.

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**REPORT ON A SPECIAL INVESTIGATION
OF THE
DES MOINES COUNTY SHERIFF'S OFFICE
FOR THE PERIOD
JANUARY 1, 2016 THROUGH DECEMBER 31, 2018**

**Report on a Special Investigation
of the
Des Moines County Sheriff's Office**

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Rob Sand
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Auditor of State's Report

To Mike Johnstone, Des Moines County Sheriff,
and the Board of Supervisors:

As a result of concerns regarding certain financial transactions, we conducted a special investigation of the Des Moines County Sheriff's Office (Sheriff's Office). We have applied certain tests and procedures to selected financial transactions of the Sheriff's Office for the period January 1, 2016 through December 31, 2018. Based on discussions with Sheriff's Office personnel and representatives of the Division of Criminal Investigation (DCI) 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) Obtained and reviewed credit card statements for credit cards from the Sheriff's Office which were assigned to Jeff White, former Chief Deputy, to identify any unusual activity.
- (3) For selected disbursements, we examined available supporting documentation to determine whether the disbursements were properly approved, supported by adequate documentation, and appropriate for Sheriff's Office operations.
- (4) For selected assets, we observed whether the items purchased by Mr. White were properly located in the Sheriff's Office.
- (5) Reviewed interviews conducted by the Sheriff's Office and Division of Criminal Investigation.

These procedures identified \$7,438.84 of improper purchases composed of items which were not necessary for the operations of the Sheriff's Office. The Sheriff's Office subsequently recovered \$3,151.96 of the items and an item costing \$99.00 and \$79.00 were returned to the vendor for a refund, leaving \$4,286.88 of items which were not returned to or could not be located in the Sheriff's Office. Several internal control weaknesses were also identified. Our detailed findings and recommendations are presented in the Investigative Summary 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 Des Moines County Sheriff's Office, other matters might have come to our attention that would have been reported to you.

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

We would like to acknowledge the assistance and many courtesies extended to us by the officials and personnel of the Des Moines County Sheriff's Office and the Division of Criminal Investigation during the course of our investigation.

ROB SAND
Auditor of State

April 14, 2020

Report on the Special Investigation of the
Des Moines County Sheriff's Office

Investigative Summary

Background Information

The Des Moines County Sheriff's Office (Sheriff's Office) is located in Burlington, Iowa. The Sheriff is elected every 4 years and oversees all operations of the Sheriff's Office. Specifically, the Sheriff is responsible for patrol and security within the County, operating the County's correctional center, maintaining certain records, processing civil documents, performing investigations, and overseeing staff members and reserve officers. To fulfill these responsibilities, the Sheriff's Office has been organized in four divisions, including the Civil, Patrol, Criminal Investigations, and Correctional Center Divisions.

The Sheriff also has identified individuals to fill leadership positions to help carry out the Office's responsibilities. Jeff White was promoted to Chief Deputy in 2001 and held that position until his retirement in December 2018. Among his duties as the Chief Deputy, Mr. White was responsible for certain administrative functions, including approving purchases made by Sheriff's Office staff and making purchases himself on behalf of the Sheriff's Office. Purchases were made with a credit card or directly from vendors for which the Sheriff's Office received an invoice or receipt. According to Sheriff's Office personnel, the Sheriff, Mr. White, and two lieutenants were each assigned a credit card issued to the Sheriff's Office. In addition, there were two credit cards for other Sheriff's Office personnel to check out and use.

Individuals who make purchases using a credit card are to submit the receipt for the purchase to the Office Manager who is responsible for comparing the receipts to the credit card statements. The Office Manager is also to follow up on any purchases which are missing receipts or supporting documentation. Mr. White approved the monthly credit card statements and other invoices for payment by the County Auditor's Office.

According to Sheriff's Office personnel, unusual credit card purchases made by Mr. White in August 2018 were identified in September 2018 and additional concerns were identified in the following months. Specifically, two drones were purchased but could not be located in the Sheriff's Office and purchases which appeared personal in nature were identified. Personnel from the Sheriff's Office reported the first purchase of a drone was discussed with Mr. White during the week of October 15, 2018. During the meeting, Mr. White acknowledged he purchased a drone and it was in his possession. He returned the drone to the Sheriff's Office during the week of October 15, 2018 and submitted a letter on October 23, 2018 which provided notification of his intent to retire in December 2018. Personnel from the Sheriff's Office also reported other unusual purchases were discussed with Mr. White prior to his retirement, but the concerns were not resolved.

Additional irregularities were identified prior to Mr. White's retirement, including purchases of laptops, cell phones, and equipment such as a drone which were purchased by the Sheriff's Office but were not located in the Sheriff's Office or Sheriff's Office vehicles. Some of the items identified were subsequently returned to the Sheriff's Office by Mr. White and/or his wife.

As a result of the concerns identified, officials from the Sheriff's Office contacted the Division of Criminal Investigation, who subsequently contacted the Office of Auditor of State. We performed the procedures detailed in the Auditor of State's Report for the period January 1, 2016 through December 31, 2018.

Detailed Findings

The procedures identified \$7,438.84 of improper purchases during the period January 1, 2016 through December 31, 2018. The improper purchases identified include:

- items which were personal in nature or not related to operations of the Sheriff's Office,
- items that could not be located when Sheriff's Office personnel searched for them,
- items which were ultimately returned to the Sheriff's Office by Mr. White after Sheriff's Office personnel discussed them with him, and
- purchases which were not approved by someone other than Mr. White and which were not included in budgeted expenditures.

Of the \$7,438.84 of improper purchases identified, items costing \$99.00 and \$79.00 were returned to the vendor and refunded and \$3,151.96 of items were ultimately returned to the Sheriff's Office, leaving \$4,286.88 of purchases unaccounted for, including a MacBook Pro laptop, and ammunition. While the items returned are reasonable for use in the Sheriff's Office, they were not planned purchases and were not approved by anyone other than Mr. White. In addition, some of the items were not returned until after Mr. White's last day of employment with the Sheriff's Office.

The improper purchases identified are listed in **Table 1** and a detailed explanation of each finding follows.

Purchase Information			Status	
Date	Description	Amount	Located	Unknown
08/12/16	Dell laptop I5550-3349SLV and Microsoft Office 365 Home V2	\$ 484.98	484.98	-
05/05/17	Ammunition – 300 Blackout	395.45	-	395.45
09/15/17	MacBook Pro laptop	3,389.76	-	3,389.76
10/17/17	Microsoft Office 2016 for Mac	203.99	-	203.99
05/01/18	Microsoft Office Home and Business	229.99	-	229.99
08/02/18	Palm Beach Research (financial planning)	4.95	-	4.95
08/23/18	Drone DJI Phantom 4 Pro V2.0 Quadcopter with 3 batteries, 4K professional camera	2,188.99	2,188.99	-
09/01/18	Palm Beach Research (financial planning)	99.00	99.00	-
09/04/18	Drone Pilot book	33.04	-	33.04
09/04/18	Drone Pilot book	29.70	-	29.70
11/22/18	256GB iPhone 8	299.99	299.99	-
12/04/18	PSV*Boom Bust	79.00	79.00	-
Total improper purchases		7,438.84	3,151.96	4,286.88
Less: Refunded Palm Beach Research		(99.00)	(99.00)	-
: Refunded PSV*Boom Bust		(79.00)	(79.00)	-
Net amount of purchases		\$ 7,260.84	2,973.96	4,286.88

IMPROPER DISBURSEMENTS

As previously stated, Mr. White was responsible for making purchases for the Sheriff's Office and approving purchases made by other staff members. Once the disbursements to the vendors and the monthly credit card statements were approved by Mr. White, a claim voucher was sent to the County Auditor's Office for payment. The Office Manager also reviewed the purchases made with the credit card when matching the monthly statements to the related receipts and invoices; however, the Office Manager did not have the authority to approve the disbursements.

Also as previously stated, concerns were identified regarding certain purchases in the fall of 2018 and Mr. White announced in October 2018 his plan to retire in December 2018. As a result, a Sergeant within the Sheriff's Office was assigned the responsibility of performing an inventory of storage areas which had been the responsibility of Mr. White, performing fixed asset testing, and reviewing disbursement activity. The inventory of the storage areas was completed prior to Mr. White's departure; however, the Sergeant continued to review disbursements and trace purchases to the items purchased after Mr. White retired. These efforts resulted in the identification of items purchased which could not be located.

Prior to notifying the Division of Criminal Investigation (DCI) and the Office of Auditor of State, officials from the Sheriff's Office met with Mr. White on several occasions. During these meetings items purchased with Sheriff's Office funds but which could not be located were discussed. In some instances, Mr. White or his wife returned items to the Sheriff's Office after a meeting. In other instances, the items which could not be located were not returned and remained unaccounted for. In addition, when items were returned to the Sheriff's Office, some of the returned items included purchases which had not been identified by the Sheriff's Office or discussed with Mr. White.

Using credit card statements and invoices, we reviewed all purchases made by Mr. White for the period January 1, 2016 through December 31, 2018. Using supporting documentation available from the Sheriff's Office and County Auditor's Office, internet searches, and discussions with Sheriff Office staff, we classified the payments as improper or reasonable. Disbursements were classified as improper if they appeared personal in nature and/or were not necessary or reasonable for operations of the Sheriff's Office. We also identified disbursements we considered reasonable for the Sheriff's Office operations based on discussions with the Sheriff's Office staff, available supporting documentation, the vendors, and the type of goods and services provided by the vendor. Examples of disbursements we considered reasonable include payments for training and clothing.

The items identified which could not be located in the custody of the Sheriff's Office when fixed asset testing was performed, items which were returned to the Sheriff's Office by Mr. White, and items not approved for purchase by someone other than Mr. White and which were not included in budgeted expenditures are discussed in the following paragraphs as improper purchases.

Drones

Invoices obtained from the Sheriff's Office document two drones were purchased through Amazon during August 2018. Both drones were shipped to the TACT Team (tactical response unit) at the Sheriff's Office address in Burlington, Iowa. Specifically, the drones purchased included:

- A DJI Phantom 3 4K Quadcopter Drone purchased on August 20, 2018 for \$599.95. A copy of the invoice for the drone is included in **Appendix 1**. As illustrated by the **Appendix**, the drone was ordered by "white, j", Mr. Jeff White.

Using the ASIN (Amazon standard identification number) specified on the invoice, we obtained the following description of the drone from the Amazon website:

“Created for aerial filmmaking and photography, the Phantom 3 4K from DJI features an integrated 12 MP camera attached to a 3-axis gimbal. Apart from 12 MP JPEG or RAW photos, the drone camera can record cinema-spec DCI 4K (4096 x 2160) at 24 fps and UHD 4K (3840 x 2160) at 30 fps. With the included flight battery, the quadcopter camera can fly for up to 25 minutes, depending on conditions. A 2.4 GHz Wi-Fi link with range extender allows you to use the venerable DJI Go app for live HD monitoring and camera control. Additionally, you can access intelligent flight control features tailored to needs of the filmmaker including Follow Me, Course Lock, Home Lock, and waypoint navigation. This bundle kit is a great starter package for a beginning photographer, instructional use or an expert in photography.”

- A DJI Phantom 4 Pro V2.0 purchased on August 23, 2018 for \$2,188.99. A copy of the invoice for the drone is included in **Appendix 2**. As illustrated by the **Appendix**, the drone was ordered by “white, j”, Mr. Jeff White.

At the time of our fieldwork, the ASIN specified on the invoice was no longer active on the Amazon website. However, a similarly priced bundle including the DJI Phantom 4 Pro V2.0 Quadcopter Drone was identified, which included the quadcopter, a remote controller (transmitter), four quick release propellers for the quadcopter, 3 batteries, a flight battery charger, an AC cable for the charger, a gimbal clamp, a USB cable, a micro-USB cable, a 16GB micro SD card, a micro SD card reader, a 128GB SD card, a case, and a cleaning cloth.

As illustrated by **Appendices 1 and 2**, the invoices for the drones contain Mr. White’s initials which document his approval of the purchases. As previously stated, no one other than Mr. White approved the purchases he authorized. When we spoke with the Sheriff, he reported he had discussed purchasing a drone with Mr. White for the Sheriff’s Office. However, the Sheriff specified Mr. White was not authorized to purchase two drones.

Notes obtained from a Sergeant at the Sheriff’s Office document in mid-September 2018 command staff discussed the purchase of a drone by Mr. White. The notes document a member of the command staff and the Office Manager had briefly observed the drone in its shipping box but had not seen it since it had been delivered. In addition, the notes stated it was discussed that Mr. White had not spoken about the drone or its purchase to other members of the Department. As previously stated, when we spoke with the Sheriff, he reported he had discussed the possibility of a drone purchase with Mr. White. However, the notes also indicate the Sheriff was not initially aware a drone was purchased and inquired about the purchase to a member of the command staff in mid-October.

The Sergeant’s notes also document the Office Manager reported she asked Mr. White about the \$2,188.99 purchase from Amazon in August when she was preparing the claim for payment to be sent to the County Auditor’s Office. The Office Manager reported Mr. White told her the purchase was for training materials for the drone and drone operations. She reported she questioned Mr. White about the amount spent on the training materials because it seemed unusually high. She reported Mr. White told her the materials were very expensive. She also reported the explanation did not seem right to her, but she was not comfortable questioning Mr. White any further because she reported to him. While it would be expected both drone bundles purchased by Mr. White would include an instructional manual, the description for neither bundle included any indication it included “training materials.”

Fixed asset records document both the drone purchased for \$599.95 and the drone purchased for \$2,188.99 were recorded as one drone and training materials in the fixed asset listing at a cost of \$2,788.94. Because a second drone was not recorded in the fixed asset listing, there was no record of it as an asset that should be in the custody of the Sheriff’s Office.

The Sergeant’s notes document a member of the command staff spoke with Mr. White regarding the drone shortly after the Sheriff’s inquiry. Mr. White acknowledged he had purchased a drone

for the Sheriff's Office and stated he would bring it to the office. The notes document he returned the \$599.95 drone during the week of October 15, 2018.

The Sergeant's notes also document a member of the command staff spoke with Mr. White about the training materials after he brought the drone to the Sheriff's Office. During the conversation Mr. White again reported the training materials were very expensive and stated they should be with the drone in the storage room. When it was determined no training materials were with the drone, Mr. White reportedly stated someone must have taken them, although the storage room is locked and accessible only to command staff and the Office Manager.

In late November 2018, a Lieutenant in the Sheriff's Office obtained a copy of the receipt for the \$2,188.99 purchase which Mr. White had described as training materials. As illustrated by **Appendix 2**, the description of the purchase states "DJI Phantom 4 Pro Plus V2.0 (Pro+ V2) Drone Quadcopter (Remote W/Integrated Touch Screen Display) Bundle Kit with 3 Batteries, 4K Professional Camera" which cost \$2,149.99. An additional \$39.00 was charged for shipping and handling. As a result, it was clear to the Lieutenant a drone had been purchased rather than training materials. The Lieutenant informed the Sheriff of his findings.

Notes provided by the Sergeant document the Lieutenant contacted Mr. White by phone late in the afternoon of December 6, 2018. During the phone call the Lieutenant asked Mr. White about the purchase of what he had described as training materials and informed him the invoice showed the purchase was for another drone. According to the notes, Mr. White told the Lieutenant the purchased items were training materials and not a drone and that he did not want to explain it over the phone. He instructed the Lieutenant to leave the documents regarding the purchase on his (Mr. White's) desk.

The Lieutenant reported the discussion to the Sheriff who expressed concern Mr. White may attempt to return the drone to the Sheriff's Office in a manner which made it appear as if it had been there all along. As a result, the Sheriff photographed the interior of the equipment/uniform storage room, the ammo room, and the Emergency Management storage room to document what items were on hand on December 6, 2018. The Sheriff provided us copies of the photos taken of the storage room.

Video surveillance documents Mr. White arrived at the Sheriff's Office at approximately 6:30 AM on December 7, 2018 and began unloading items from his vehicle. The items were taken into a conference room and into the uniform/equipment storage room, including an item which appeared square in shape and was carried in a white plastic sack. According to documentation obtained from the Sergeant, it was later determined the shape of the object was consistent with the drone carrying case. The video also shows Mr. White carrying a small cardboard box with multiple smaller white boxes inside of it into the storage room. Documentation obtained from the Sergeant states the smaller white boxes were later determined to be batteries for the drone. In addition, the video shows Mr. White entering the storage room at 6:45 AM with a spray bottle of cleaner, towels, and what appear to be purple rubber gloves.

The Sergeant's notes document later that morning Mr. White stated he found the drone in question when he and a Lieutenant were in the equipment/uniform storage room. In addition, the notes document the Sheriff, Lieutenant, and Office Manager spoke with Mr. White on December 7, 2018 regarding his false statements about the purchase of the drone and its return to the Sheriff's Office. According to the notes, Mr. White denied knowledge of the drone prior to locating it in the storage room earlier that day. The notes do not address whether Mr. White provided an explanation for previously telling officials the purchase was for training materials.

The notes obtained from the Sergeant also document Mr. and Mrs. White visited the Sheriff's home on Sunday, January 6, 2019. During the visit, Mr. White admitted to the Sheriff he had lied about the drone. He reported he found it in his garage when looking for items to return to the Sheriff's Office. He also claimed he did not know he had possession of the drone until finding

it in his garage. In addition, Mr. White reported he attempted to sneak the drone back into the Sheriff's Office and lied regarding his knowledge of it.

Two agents of the Division of Criminal Investigation interviewed Mr. and Mrs. White at their home on July 19, 2019. When the agents asked Mr. White about the purchase of the drones during the interview, he reported he was interested in purchasing a drone because he thought he might be able to work with the Sheriff's Office beyond his retirement if he could gain a good knowledge of drone technology and be available to assist the Sheriff's Office when needed. He also reported he had been researching drones for many years and was interested in ordering both a drone and training materials for officers of the Sheriff's Office. He also stated his memory was "somewhat blurry" with regard to his actions.

Mr. White reported to the DCI agents he remembered receiving the first drone, bringing it home, and playing with it around his residence for the purpose of learning how to properly use it. He stated the training materials associated with the [original] drone came in a separate box which he "threw in the back of his duty vehicle" and brought home. The information received from the DCI did not indicate if Mr. White acknowledged he authorized a \$2,188.99 purchase of what he believed were training materials for a drone that cost \$599.95.

He also reported to the DCI agents he was excited about receiving the training materials and began reviewing them from his residence. In addition, he reported, in hindsight, he understood by the time of the interview with the DCI agents that the second box containing the training materials also included a second drone in a separate box. He reported he was not aware of the second drone because he had not opened the separate box until after officials from the Sheriff's Office began asking him about a second drone. He reported he thought the separate box contained additional technology for the [original] drone. He also reported the second drone had been stored the entire time inside his duty vehicle and he never opened the box to learn what was in it.

In addition, Mr. White reported to the DCI agents that, while his memory was "a little bit blurry", he recalled opening the box after being confronted by Sheriff's Office officials regarding the location of the second drone and realizing he had been driving around with the second drone since he had received it. He also stated he attempted to cover up his error by sneaking the second drone and training manuals back into the Sheriff's Office rather than being upfront and honest about his poor knowledge and memory about purchasing the possessing the second drone.

The Sheriff reported he discussed with Mr. White and approved the purchase of a single drone. After purchasing the original drone, Mr. White took it to his home and did not return it until asked about it. In addition, he did not admit the purchase of the second drone to officials from the Sheriff's Office when confronted on multiple occasions and tried to return it to the Sheriff's Office in a concealed manner. Mr. White also reported to DCI agents he purchased a drone with Sheriff's Office funds to learn how to use it in hopes of continuing to work with the Sheriff's Office after his retirement. The Sheriff reported he did not approve the purchase of a drone for this purpose. As a result, the second drone purchased by Mr. White is included in **Table 1** as an improper purchase.

Ammunition

When Sheriff's Office officials initially discussed concerns regarding Mr. White's purchase of the drones, the Office Manager also shared concerns she had previously identified regarding the purchase of some ammunition in 2017. Specifically, the Office Manager reported she placed a box of ammunition which was shipped to the Sheriff's Office in the locked office of the lead firearms instructor for the Sheriff's Office. The firearms instructor, a Lieutenant, reported he was not able to locate the ammunition in his office, so he confirmed with the Office Manager that she had placed a case of ammunition on his desk. She further identified the ammunition as 300

Blackout ammunition through the related invoice. According to the Sheriff and Lieutenant, the Sheriff's Office does not possess any weapons which would use this ammunition. However, the Lieutenant was aware Mr. White, who was Chief Deputy at the time of the purchase, personally owned a 300 Blackout rifle and was one of the few members of the Sheriff's Office with a key that accessed the Lieutenant's office.

A copy of the invoice for the ammunition is included in **Appendix 3**. As illustrated by the **Appendix**, a notation of "Jeff" appears in the "Customer PO" field, which indicates the order was placed by Mr. White. The invoice also includes Mr. White's initial documenting his approval of the purchase. In addition, the invoice shows the order was placed and shipped on May 5, 2017 and received in the Sheriff's Office on May 9, 2017.

We performed an internet search of the UPC (universal product code) number shown on the invoice and confirmed the product order by Mr. White was "Hornady BLACK .300 Blackout ammunition 110 Grain V-Max Match Polymer Tip." As illustrated by **Appendix 3**, Mr. White ordered 25 boxes of the ammunition. The total cost of the purchase, including a fuel surcharge was \$395.45 which was paid by the Sheriff's Office.

As previously stated, the ammunition could not be used for a weapon held by the Sheriff's Office. In addition, the ammunition could not be located of the lead firearms instructor and was not used by the Sheriff's Office. As a result, the purchase is included in **Table 1** as improper.

Cell phones

During a review of disbursements made from the Sheriff's Office funds, a Lieutenant identified the purchase of several cell phones in the months prior to Mr. White's retirement. Specifically, the purchases identified include:

- A 128 GB iPhone 7 for \$99.99. The purchase was identified on the Verizon invoice for the period ended October 22, 2018 along with charges for a new line of service.
- A 64 GB iPhone 8 for \$149.99. The purchase was identified on the Verizon invoice for the period ended November 22, 2018.
- A 256 GB iPhone 8 for \$299.99. This purchase was also identified on the Verizon invoice for the period ended November 22, 2018.

After identifying the purchases, the Lieutenant determined the 128 GB iPhone 7 and the 64 GB iPhone 8 were in the inventory of new phones held by the Sheriff's Office. The Lieutenant informed the newly appointed Chief Deputy he was unable to locate the 256 GB iPhone 8 and his concern regarding an unexplained line added to the Sheriff's Office Verizon account. As a result of these concerns, the Lieutenant and Chief Deputy contacted Mr. White by phone. According to notes of the phone call provided by the Sergeant, Mr. White reported he had left two new cell phones in a drawer in his former office. He reported he purchased the phones for the Sheriff's Office to have as extra phones. He also reported they were purchased at a reduced rate.

The Sergeant explained to Mr. White he had located two new cell phones, but another phone had been purchased and another phone line had been added to the Sheriff's Office bill. According to the notes, Mr. White responded the charge on the Verizon bill was related to a hotspot or MiFi charge. The Sergeant confirmed the Verizon bill he reviewed included the charges for the two MiFi held by the Sheriff's Office separate from the new line of service, but this information was not shared with Mr. White.

Later that day the Sergeant contacted Verizon and confirmed a new line of service was added to the Sheriff's Office account during the month ended October 22, 2018 and a 128 GB iPhone 7 was purchased for \$99.00. The Sergeant was also able to confirm the MEID (mobile equipment

identifier) for the phone purchased for \$99.00 was the same as the new unused iPhone 7 held by the Sheriff's Office.

The Verizon representative also confirmed for the Sergeant the MEID for the 64GB iPhone 8 included on the Verizon invoice for the period ended November 22, 2018 matched the 64 GB iPhone 8 held by the Sheriff's Office. In addition, the Verizon representative reported to the Sergeant the 256 GB iPhone 8 had been activated on Mrs. White's private Verizon account. The Verizon representative reported the phone had never been activated on the Sheriff's Office Verizon account.

As previously stated, Mr. White came to the Sheriff's Office on January 21, 2019 and met with the Deputy Chief and Sergeant. During the meeting Mr. White was asked about the cell phone included on the Sheriff's Office Verizon invoice but that was activated on Mrs. White's personal Verizon account. In response, Mr. White stated the Sheriff had told him prior to his retirement he could retain his County cell phone after he left the Sheriff's Office. Mr. White also reported the battery on his previous cell phone had begun to fail and not hold a charge, so he purchased a new phone as a replacement.

When we spoke with the Sheriff regarding Mr. White's explanation, the Sheriff confirmed Mr. White requested permission to keep the same phone number after his retirement. The Sheriff reported he granted that request with the understanding the phone number would be transferred to Mr. White's personal phone plan and removed from the Sheriff's Office Verizon account. The Sheriff also reported he told Mr. White he could keep the phone itself because it was an older phone. However, he did not authorize Mr. White to purchase a new phone at the Sheriff's Office cost before his retirement.

Notes provided by the Sergeant report Mrs. White returned the iPhone 8 to the Sheriff's Office on January 28, 2019. Because Mr. White was not authorized to purchase the new phone, which was never activated on the Sheriff's Office Verizon account, the purchase is included in **Table 1**.

As previously stated, the remaining two phones did not leave the Sheriff's Office after their purchase. According to the Sheriff, it was standard practice for Mr. White to purchase cell phones at a discounted price when possible to have on hand in case an employee's phone needed to be replaced. As a result, the two cell phones in inventory are not included in **Table 1**.

Financial Investment Advisory Services

The Office Manager also identified concerns regarding purchases made on the Sheriff's Office credit card assigned to Mr. White during the months prior to his retirement. Specifically, she identified concerns regarding:

- A \$4.95 charge from "SR*Palm Beach Research" with a transaction date of August 2, 2018.
- A \$99.00 charge from "SR*Palm Beach Research" on September 1, 2018.
- A \$79.00 charge from PSV*Boom Bust for the purchase of Zero Hour: How to Turn the Greatest Political and Financial Upheaval in Modern History to Your Advantage on December 4, 2018.

Based on an internet search for Palm Beach Research using the phone number appearing on the credit card statement we determined the vendor provides financial investment advisory services. The credit card statements which include the charges listed above include notations made by the Office Manager which indicate the \$4.95 was a disputed charge. However, based on our review of the credit card statements, we did not identify a refund of \$4.95. The notation next to the \$99.00 charge states "Charge cancelled by 29-2 [former Chief Deputy White's badge number] thru his cell #."

According to the Office Manager, the initial charge was for a financial retirement book and the \$99.00 charge was for an online membership for financial advice. The Office Manager reported when she brought the charges to Mr. White's attention, he told her he would look into them. He later told her he had taken care of the charges and that a Sergeant within the Sheriff's Office had made the purchases but advised her not to confront the Sergeant. On October 30, 2018, the \$99.00 charge was refunded on the Sheriff's Office credit card assigned to Mr. White.

Because the Sheriff's Office would not need financial investment advisory services, the 2 credit card charges from Palm Beach Research and the subsequent refund are included in **Table 1** as improper.

Our review of the credit card statements also showed a \$79.00 credit on December 7, 2018 for the refund of the SV*Boom Bust for the purchase of Zero Hour: How to Turn the Greatest Political and Financial Upheaval in Modern History to Your Advantage. Based on documentation available from the Sheriff's Office, the item purchased was a subscription to a financial newsletter and the username included Mr. White's personal email address. Because the item was refunded, the Sheriff's Office did not incur any cost. The purchase and the refund are included in **Table 1**.

Laptop computers and software

When Mr. White retired, he turned in an Apple MacBook Air laptop and a Dell laptop which were assigned to him. According to Sheriff's Office officials, the Apple and Dell laptops were purchased in 2013 and 2007, respectively. **Table 1** includes a Dell laptop purchased on August 12, 2016 and an Apple MacBook Pro laptop purchased on September 15, 2017. These laptops were not located when the Sergeant performed observation of fixed asset testing. The **Table** also includes software purchased with the Sheriff's Office funds.

Dell laptop and software – The Sergeant responsible for reviewing disbursements identified a Dell laptop purchased from Staples on August 12, 2016. However, during the Sergeant's observation of fixed assets in custody of the Sheriff's Office, he did not locate a Dell laptop matching the model number of the laptop purchased. In addition to specifying the model number of the laptop purchased, the Staples receipt documented the laptop was purchased by Mr. White for \$522.99.

The receipt from Staples also documented Office 365 Home V2 software was purchased for \$99.99. According to County officials we spoke with, individual County departments, such as the Sheriff's Office, should not purchase software for computers purchased for the County. The County's Information Technology (IT) Department makes Microsoft Office products available for all County computers. The IT Department also installs and maintains the software for County computers.

The receipt also documented two "vendor funded coupons" used during this purchase totaling \$138.00. Therefore, the net price of the Dell laptop and Office 365 Home V2 software was \$484.98.

Notes taken by the Sergeant document he asked Mr. White about the Dell laptop purchased in 2016 during a meeting he and the Chief Deputy held with Mr. White on January 21, 2019. According to the notes, Mr. White stated he had a Dell laptop computer at home but "was unaware" of it being purchased by the County.

The Sergeant's notes also document he asked Mr. White during the January 21, 2019 meeting about a purchase of Microsoft Office Home and Business from Staples on May 1, 2018. Documentation obtained by the Deputy shows Mr. White purchased the software for \$229.99. As previously stated, the County's IT Department make Microsoft Office products available for all County computers and installs and maintains the software for County computers.

The Sergeant's notes regarding the January 21, 2019 meeting document Mr. White reported the software was purchased for the Dell laptop he had at home. When asked why he would purchase the software with County funds for a laptop he thought was his personal property, Mr. White was unable to provide an answer. As a result, the software purchased on May 1, 2018 is included in **Table 1** as an improper disbursement.

After Mr. White returned home, he sent the Deputy photos of the Dell laptop in his possession. Using the photos, the Sergeant confirmed the model and description were consistent with the Dell laptop purchased by the Sheriff's Office from Staples on August 12, 2016. According to Sheriff's Office personnel, Mr. White's wife returned the laptop to the Sheriff's Office on January 28, 2019.

Because Mr. White had the Dell laptop at his home and did not return it until asked about it after his departure from the Department, the Dell laptop and software purchased from Staples on August 12, 2016 are included in **Table 1** as improper purchases.

MacBook Pro laptop and software – Based on the Sheriff's Office's fixed asset listing, the Sheriff's Office should have had on hand a MacBook Pro laptop purchased in 2016. However, the Sergeant who was responsible for determining if all recorded fixed assets were in the custody of the Sheriff's Office was unable to locate the laptop during his testing in December 2018. The Sergeant obtained the invoice for the laptop and identified its order number, product number, product description, and serial number. Using the invoice, he also determined the laptop was purchased by Mr. White with \$3,389.76 of Sheriff's Office funds on September 15, 2017.

According to the Sergeant's notes, he contacted Mr. White by phone on December 17, 2018 to inquire about the location of the laptop. According to the notes, Mr. White initially stated he turned in his Apple laptop. However, when the Sergeant explained to him he turned in an Apple MacBook Air laptop purchased in 2013 rather than the newer MacBook Pro, he "then stated that he had forgotten about this laptop but had turned it over to the County IT Department to have Microsoft Office loaded onto it." The notes also specify Mr. White stated, "he did this upon receiving it after the purchase and had since forgotten about the laptop."

The Sergeant and Chief Deputy subsequently spoke with the Director of the County's IT Department and other IT Department employees and determined the MacBook Pro was not in their possession and Department representatives believed it had not been received from Mr. White. In addition, it was determined the MacBook Pro had never been logged into the County's network.

During the Sergeant's review of disbursements, he also identified a \$203.99 purchase of Microsoft Office 2016 for Mac on October 17, 2017, which was approximately one month after the MacBook Pro laptop was purchased. As stated previously, the County's IT Department make Microsoft Office products available for all County computers and installs and maintains the software for County computers. In addition, the purchase of the software conflicts with Mr. White's statement he left the MacBook Pro with the IT Department for installation of Microsoft Office. It would not have been necessary for Mr. White to purchase Microsoft Office 2016 for Mac if he had left the laptop with the IT Department and/or never got it back.

Notes taken by the Sergeant document Mr. White's wife came to the Sheriff's Office on December 19, 2018 and spoke with the Sheriff, Chief Deputy, and the Sergeant. During the meeting, Mrs. White asked if she could pay for the missing computer. The Sheriff's Office officials declined her request.

In addition, Mr. and Mrs. White stopped at the Sheriff's home on January 6, 2019. During the visit, Mr. White reiterated to the Sheriff the MacBook Pro had been taken to the County IT Department. However, during a meeting at the Sheriff's Office including Mr. White, the Chief Deputy, and the Sergeant on January 21, 2019, Mr. White confirmed he had purchased a

Microsoft product for the MacBook Pro. Mr. White was unable to provide an explanation for purchasing Microsoft Office for Mac if he had taken the laptop to the county's IT Department for installation of Microsoft Office.

The Sergeant subsequently submitted a search warrant to Apple Corporation for information related to the MacBook Pro laptop. In early March 2019 he received a response to the warrant which confirmed the MacBook Pro laptop matching the serial number listed on the invoice paid by the Sheriff's Office was registered in Mrs. White's name at her home address on September 21, 2017. The registration also listed Mrs. White's cell phone number. The initial use of the laptop was recorded at an IP address consistent with Mr. and Mrs. White's home and internet provider.

As illustrated by **Table 1**, the MacBook Pro has not been returned to the Sheriff's Office. Because the MacBook Pro laptop was never logged into the County's network but registered to Mrs. White and used at the White's personal residence, the laptop and software are included in **Table 1** as improper purchases.

Area lights

The Sergeant assigned the responsibility of determining if all fixed assets were in the custody of the Sheriff's Office identified two separate fixed asset documents for 2 Whelen Pioneer Life Series battery operated area lights. The lights are commonly referred to as floodlights and the Sergeant reported one of the two was located in his office and used as an area light for crime scenes.

The Sergeant obtained the invoices for the two area lights included in the fixed asset listing. The invoices show the first was purchased on May 5, 2017 at a cost of \$827.25. The other was purchased for \$869.25 on August 16, 2017. The Sergeant reported he was not able to determine if the light in his possession was purchased in May or in August 2017. Based on our review of the invoices, both lights were purchased by Mr. White.

When the Sergeant and Chief Deputy met with Mr. White in the Sheriff's Office on January 21, 2019, Mr. White stated he recalled providing an area light to the Sergeant for use in investigations. He also stated he did not know where the second area light listed in the fixed assets was located. Officials from the Sheriff's Office have been unable to locate the area light; however, they acknowledge it may have been left at the scene of a response. As a result, the cost of the area light which cannot be located is not included in **Table 1**.

Computers from squad cars

According to the Sheriff, Mr. White was responsible for replacing equipment in the Sheriff's Office squad cars. If a computer was damaged or the equipment became obsolete, Mr. White purchased new equipment and the old equipment was removed from the squad cars. However, there were no records or logs maintained to track equipment being removed from the squad cars or equipment being placed into the squad cars.

The Sheriff's Office periodically sells equipment which is no longer needed using a website that auctions surplus government property to the public. During our review, we requested a listing of all items placed on the website for the period January 1, 2016 through December 31, 2018. The listing provided did not include any computers. In addition, we were unable to locate any computers in the evidence room or stored in other locations in the Sheriff's Office. As a result, we were unable to determine if the old computers were thrown away, given away, or sold.

Due to the lack of available supporting documentation, we were unable to determine if any collections from a possible sale were properly deposited into the Sheriff's Office bank accounts.

Recommended Control Procedures

An important aspect of internal control is to establish procedures that provide accountability for assets susceptible to loss from error 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 Sheriff's Office's internal control.

- A. Segregation of Duties – An important aspect of internal control is the segregation of duties among employees to prevent an individual employee from handling duties which are incompatible. A former employee had control over making purchases and approving purchases for the Sheriff's Office.

Recommendation – We realize segregation of duties is difficult with a limited number of office employees. However, the Sheriff's Office should review their control procedures to obtain the maximum internal controls possible under the circumstances utilizing currently available personnel. In addition, Sheriff's Office officials or other independent parties such as an employee of the County Auditor's Office or a member of the County Board of Supervisors should review financial records, perform reconciliations, and examine supporting documentation for accounting records on a periodic basis.

In addition, Sheriff Office officials should ensure employees allowed to make purchases have prior purchase approval. Also, prior approval should be obtained for purchases over a set dollar threshold, or these purchases should be approved by more than one person.

- B. Capital Assets – During an initial search, there were several assets that were purchased but could not be located at the Sheriff's Office. The assets were not properly tagged to allow for identification; as a result, we were unable to determine if all assets were accounted for.

Recommendation – Sheriff Office officials should ensure all assets are properly tagged and a complete capital asset listing should be maintained for all purchases as defined by the County's capital asset policy. The listing should be updated timely for both additions and deletions. In addition, they should consider tagging all assets susceptible to misappropriation which fall below the threshold for the County's capitalization policy.

- C. Supporting Documentation – During our investigation, we were unable to locate receipts all purchases.

Recommendation – Sheriff Office personnel should implement policies and procedures requiring adequate supporting documentation be provided in order to determine the goods and services purchased and the related quantity are necessary and reasonable for the operations of the Sheriff's Office. In addition, disbursements should not be approved unless adequate supporting documentation is available.

Report on a Special Investigation
of the
Des Moines County Sheriff's Office

Staff

This review was performed by:

Melissa Finestead, CFE, Manager
Drew Carter, CPA, Staff Auditor
Mark Hart, Assistant Auditor



Annette K. Campbell, CPA
Deputy Auditor of State


Appendices

Report on a Special Investigation
of the
Des Moines County Sheriff's Office

For the period January 1, 2016 through December 31, 2018

Copy of Invoice for First Drone

0031-05-0220 - 61020
JW Invoice



For customer support and disputes, visit www.amazon.com/contact-us.

Invoice Summary	<i>Payment due by September 19, 2018</i>
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Item Subtotal	\$ 599.95	Invoice Date	20-Aug-2018
Shipping & Handling	\$ 0.00	Invoice #	1RGK-JXNP-T3WR
Promos & Discounts	\$ 0.00	Account #	AF595UXQEMK6W
Sales Tax	\$ 0.00	Order #	112-8723817-2290666
		Payment Terms	Net 30

Amount Due	\$ 599.95 USD
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Order Information	Registered Business Name
Ordered By white, j	DesMoines County
PO # TRU	Bill To
	DesMoines County
	513 N. Main Street
	Burlington, IA 52601
	Ship To
	TACT Team
	512 N MAIN ST STE 2
	BURLINGTON, IA 52601-5269
	<i>Sales Tax based on Ship To address</i>

Remit To
Account Name: Amazon Capital Services, Inc.
Bank Name: Wells Fargo Bank
ACH Routing # [REDACTED]
Bank Account # [REDACTED]
SWIFT Code: WFBUS6S

Mail Check Payments To
Amazon Capital Services
PO Box 035184
Seattle, WA 98124-5184

Include Amazon invoice number(s) in the descriptive field of your electronic funds transfer payment.
Email ar-businessinvoicing@amazon.com with questions regarding payments or invoices, or to submit your remittance detail.
Accounts Receivable can also be reached at 1-888-283-2209.

Invoice Details


Description	Qty	Unit Price	Item Subtotal
DJI Phantom 3 4K Quadcopter Drone, CP.PT.000298	1	\$599.95	\$599.95
ASIN: B01ANOGSYO Sold by: Beach Trading Company Inc			

Report on a Special Investigation
of the
Des Moines County Sheriff's Office

For the period January 1, 2016 through December 31, 2018

Copy of Invoice for Second Drone

0031-05-0220-61020
QW



Invoice

For customer support and disputes, visit www.amazon.com/contact-us.

Invoice Summary	<i>Payment due by September 22, 2018</i>	Invoice Date	23-Aug-2018
		Invoice #	1Y7G-FRW4-FMLP
		Account #	AF595UXQEMK6W
		Order #	112-1059433-6505040
		Payment Terms	Net 30

Registered Business Name	DesMoines County
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Bill To	DesMoines County
	513 N. Main Street
	Burlington, IA 52601

Ship To	TACT Team
	512 N MAIN ST STE 2
	BURLINGTON, IA 52601-5269
	<i>Sales Tax based on Ship To address</i>

Order Information	
Ordered By	white, j
PO #	TRU

Remit To	
Account Name: Amazon Capital Services, Inc.	
Bank Name: Wells Fargo Bank	
ACH Routing # [REDACTED]	
Bank Account # [REDACTED]	
SWIFT Code: WFBUS6S	

Mail Check Payments To	
Amazon Capital Services	
PO Box 035184	
Seattle, WA 98124-5184	

Include Amazon invoice number(s) in the descriptive field of your electronic funds transfer payment.
Email ar-businessinvoicing@amazon.com with questions regarding payments or invoices, or to submit your remittance detail.
Accounts Receivable can also be reached at 1-888-283-2209.

Invoice Details

Description	Qty	Unit Price	Item Subtotal
DJI Phantom 4 Pro Plus V2.0 (Pro+ V2) Drone Quadcopter (Remote W/Integrated Touch Screen Display) Bundle Kit with 3 Batteries, 4K Professional Camera	1	\$2,149.99	\$2,149.99

ASIN: B07D3217WD Sold by: Summik Inc

Report on a Special Investigation
of the
Des Moines County Sheriff's Office

For the period January 1, 2016 through December 31, 2018

Copy of Invoice for Ammunition



V#00399 1060-63820
967 Watertower Lane
Dayton, OH 45449 (937) 865-5855
FFL# 4-31-113-01-OC-36309

INVOICE

ORDER NO: A13GU/00

Page 1 of 1

319-753-8212
SOLD TO: CUSTOMER# 0000223943
DES MOINES CO SHERIFF OFFICE
512 N MAIN STREET
BURLINGTON IA 52601

Ship To:
FFL No: DES MOINES SHERIFF
EXP 1/01/01
DES MOINES CO SHERIFF OFFICE
512 N MAIN STREET
BURLINGTON IA 52601

Invoice No.	Customer PO	Invoice Date	Ship Date	Terms	DOJ VERIFICATION APPROVAL NUMBER	Customer No
1356472	Jeff	05/05/17	05/05/17	NET 30		2/0000223943

Stock No.	Qty Ord.	Qty Ship.	Description	Mfg. Stock Number	U/M	MSRP	Unit Price	% Disc	Unit Net Price	Extended Price
320746	25	25	HOR 300BLK 110GR VMAX BLK	80873	BX	28.33	15.70		15.70	392.50
			UPC#: 090255808735							
FUEL SURCHARGE							2.95			2.95
BOX NUMBERS: 5V70E 1Z4773570307447501										

RECEIVED
 17 MAY -9 AM 10:58
 SHERIFF
 DES MOINES COUNTY, IA

FILED

MAY 09 2017

DES MOINES CO. AUDITOR
BURLINGTON, IOWA

Attention Dealer:

Please use the following information when logging the guns on this invoice.
FFL# 4-31-113-01-OC-36309, Location: West Carrollton, OH

retailer must ensure compliance with all local, state and federal regulations prior to resale. JSC does not guarantee any product's compliance with state law including, but not limited to, Maryland's integrated mechanical safety device requirement. By accepting delivery of the above-invoiced products, Dealer hereby waives any claim against JSC for violation of local, state and/or federal restrictions.

THANK YOU FOR YOUR ORDER!

BUSINESS UNIT MANAGER	YTD Sales	Mdse. Total	Tax	Invoice Total
David Spencer	6250	395.45		395.45

PLEASE RETURN THIS PORTION WITH REMITTANCE TO
JERRY'S SPORTS CENTER PO BOX 125 CHAPIN SC 29036-0125

A SERVICE CHARGE OF 2% PER MONTH (24% PER ANNUM) WILL BE ADDED TO ALL ACCOUNTS PAST DUE. ADDITIONAL TERMS: ANY TIME PART OF THE MONEY YOU OWE US IS PAST DUE. WE CAN ASK FOR PAYMENT OF EVERYTHING YOU OWE US, INCLUDING DATING INVOICES. BOTH PARTIES HERETO AGREE THAT THE LAWS OF THE STATE OF SC SHALL GOVERN THIS AND ALL TRANSACTIONS RELATED THERETO.

Account No.	Customer Name	Invoice No	Order No	Date Shipped	Invoice Amount	Enclosed Amount
2/0000223943	DES MOINES CO SHERIFF OFFICE	1356472	A13GU/00	05/05/17	395.45	395.45