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NEWS RELEASE

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Auditor of State David A. Vaudt today released a report on a special investigation of the Monona County Engineer's Office for the period January 1, 2004 through April 20, 2007. The special investigation was requested by the County Attorney as a result of concerns regarding certain payments authorized by the County Engineer for printer cartridges from a vendor in California.

Vaudt reported the special investigation identified 10 improper invoices totaling \$17,568.20. All 10 invoices were for printer cartridges from Master Image Supply, Inc. (MIS) and Quality Office & Printing Supply Inc. (QOPS). Both vendors were located in California. Of the 10 invoices, 5 totaling \$4,330.05 were paid by the County. Vaudt reported it was not possible to determine whether additional improper disbursements occurred because not all supporting documentation for payments authorized by the County Engineer was readily available.

Vaudt also reported the County Engineer admitted to receiving 2 money orders totaling \$1,250 from MIS after receiving cartridges from the vendor. The money orders were issued by a post office in California in close proximity to MIS and were deposited to the County Engineer's personal bank account.

Vaudt also reported the County Engineer authorized payments totaling \$18,259.49 for cartridges from 3 vendors between January 1, 2004 and April 20, 2007. According to the County Engineer, he received 240 black and 240 color printer cartridges from MIS. It appears he also authorized payments for over 120 additional cartridges from QOPS and another vendor. However, Vaudt reported an inventory of cartridges in the County Engineer's Office and outlying shops on April 20, 2007 located only 75 cartridges.

After comparing the number of cartridges the County Engineer reportedly received to the number on hand, Vaudt reported an estimated 518 cartridges were used between June 1, 2005 and April 20, 2007. However, based on the capacity of the printers in the County Engineer's Office and the expected life of the cartridges, it does not appear reasonable over 500 cartridges could have been used by the County Engineer's Office during this period. As a result, Vaudt reported it is possible the County Engineer's Office did not actually receive all of the cartridges the County Engineer reported.

The report also includes recommendations to strengthen the County's internal controls over purchasing and overall operations.

Copies of the report have been filed with the Monona County Attorney's Office, the Monona County Sheriffs Office, the Division of Criminal Investigation and the Attorney General's Office. A copy of the report is available for review in the Office of Auditor of State and on the Auditor of State's web site at <http://auditor.iowa.gov/specials/specials.htm>.

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**REPORT ON SPECIAL INVESTIGATION
OF THE
MONONA COUNTY ENGINEER'S OFFICE

FOR THE PERIOD
JANUARY 1, 2004 THROUGH APRIL 20, 2007**

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Auditor of State's Report

To the Members of the
Monona County Board of Supervisors:

As a result of alleged improprieties with certain invoices submitted for payment by the Monona County Engineer, we conducted a special investigation of the County Engineer's Office. We have applied certain tests and procedures to selected financial transactions of the County Engineer's Office for the period January 1, 2004 through April 20, 2007. Based on the review of relevant information, discussions with County officials and personnel and interviews conducted by an agent of the Division of Criminal Investigation (DCI), we performed the following procedures.

- (1) Evaluated internal controls to determine whether adequate policies and procedures were in place and operating effectively.
- (2) Examined certain invoices approved by the County Engineer and presented to the Board of Supervisors for payment to determine if they were appropriate, reasonable and properly supported. Specifically, we examined all invoices from certain vendors for the purchase of printer cartridges.
- (3) In conjunction with the Division of Criminal Investigation, we interviewed the County Engineer and other County personnel to obtain an understanding of the circumstances surrounding certain payments approved by the County Engineer.
- (4) Compared the number of printer cartridges on hand in the County Engineer's Office on April 20, 2007 to the number of printer cartridges authorized for payment by the County Engineer between January 14, 2004 and April 20, 2007 to determine if quantities purchased were received and reasonable for the operation of the County Engineer's Office.
- (5) Obtained an understanding of the expected capabilities of printers in the County Engineer's Office and the life of printer cartridges reportedly received to determine if the number of cartridges reportedly received could have been used in the printers before our inventory count on April 20, 2007.
- (6) Compared the price of printer cartridges purchased from Quality Office & Printing Supply Inc. (QOPS) and Master Image Supply, Inc. (MIS) to prices of cartridges available from local and national vendors.
- (7) Reviewed deposits made to the County Engineer's personal bank accounts and examined supporting documentation to determine the source of certain deposits.

These procedures identified 10 improper invoices totaling \$17,568.20 which had been authorized by the County Engineer. The 10 invoices were for printer cartridges from MIS and QOPS. Of the 10 invoices, 5 for \$4,330.05 were paid. The County Engineer reported, in addition to cartridges purchased from QOPS, 480 cartridges were received from MIS. However, we were unable to determine if all cartridges were actually received from QOPS and MIS. Because not all

supporting documentation for payments authorized by the County Engineer was readily available, we were unable to determine whether additional improper disbursements occurred.

The procedures also identified 2 postal money orders totaling \$1,250.00 deposited to the County Engineer's personal bank account. According to the County Engineer, the postal money orders were mailed to him by a representative from MIS. We were unable to determine if the County Engineer received any additional compensation from MIS or any other vendor. Several internal control weaknesses were also identified. Our detailed findings and recommendations are presented in the Investigative Summary and **Exhibits A** and **B** of this report.

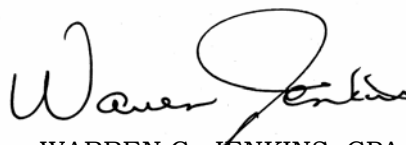
The procedures described above do not constitute an audit of financial statements conducted in accordance with U.S. generally accepted auditing standards. Had we performed additional procedures, or had we performed an audit of financial statements of the County Engineer's Office, other matters might have come to our attention that would have been reported to you.

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

We would like to acknowledge the assistance and many courtesies extended to us by the officials and personnel of Monona County and the DCI during the course of our investigation.



DAVID A. VAUDT, CPA
Auditor of State



WARREN G. JENKINS, CPA
Chief Deputy Auditor of State

November 16, 2007

Monona County Engineer's Office

Investigative Summary

Background Information

Jon Singlestad began employment as the Monona County Engineer on October 4, 1999. Under the terms of his employment contract, he is responsible for "all planning, engineering, construction and maintenance work of the Monona County Secondary Road Department." The County Engineer is also responsible for the budget of the Secondary Road Fund and approving all claims for the Department prior to payment. The Secondary Roads Department (County Engineer's Office) employs 38 individuals. The County Engineer, two assistant engineers and the secretary work in the main office, located in the County Courthouse. The remaining employees work at the 3 district shops located around the County. The secretary is the only employee who is in the main office on a daily basis. The County Engineer and the assistant engineers travel around the County supervising and monitoring the status of on-going projects.

In December 2006, the Board of Supervisors approved a \$1,338.13 invoice for printer cartridges authorized by the County Engineer. The invoice was from Master Image Supply, Inc. (MIS), a vendor located in California. The invoice was authorized for payment by the Board of Supervisors in December 2006; however, it was dated May 31, 2006.

During February 2007, 5 additional invoices from MIS for printer cartridges were submitted to the Board for payment. The 5 invoices were authorized by the County Engineer. The invoices totaled \$13,238.15 and were dated between October 9, 2006 and November 6, 2006. After reviewing the invoices, members of the Board voiced concerns about the amount being spent by the County Engineer on printer cartridges. According to the County Auditor, the Board was also concerned because the County Engineer's Office only has 2 printers and a scanner. Because the invoices did not indicate the number of cartridges purchased, the Board requested additional information from the County Engineer.

In response to the Board's request, the County Engineer presented a memo dated February 28, 2007 to the Board. According to the memo, the purchases from October 9, 2006 through November 6, 2006 were for 480 printer cartridges. The memo also stated the cartridges purchased provided a 2 year supply and resulted in a \$10,764.65 savings to the County. However, as discussed in more detail in a subsequent section of this report, the County Engineer's calculations in the memo were not mathematically correct and the savings amount reported was overstated. The Board tabled approval of the \$13,238.15 payment to MIS pending guidance from the County Attorney.

As a result of the concerns identified, the County Attorney requested the Office of Auditor of State to conduct an investigation of the County Engineer's purchases. We performed the procedures detailed in the Auditor of State's Report for the period January 1, 2004 through April 20, 2007.

Detailed Findings

The procedures we performed identified 10 improper invoices totaling \$17,568.20 which had been authorized for payment by the County Engineer. All 10 invoices were for printer cartridges from MIS and Quality Office & Printing Supply Inc. (QOPS). Of the 10 invoices, 5 for \$4,330.05 were paid. The County Engineer reports, in addition to cartridges purchased from QOPS, 480 cartridges were received from MIS. However, we were unable to determine if all cartridges were actually received from QOPS and MIS. Because not all supporting documentation for payments authorized by the County Engineer was readily available, we were unable to determine whether additional improper disbursements occurred.

The procedures also identified 2 postal money orders totaling \$1,250.00 deposited to the County Engineer's personal bank account. According to the County Engineer, the postal money orders were mailed to him by a representative of MIS. We were unable to determine if the County Engineer received any additional compensation from MIS or any other vendor.

Table 1 presents a timeline of events discovered during the course of our investigation.

Table 1

| Approximate Date | Description of Event |
|-------------------------|---|
| April or May 2006 | According to the County Engineer, the County Engineer's Office received an unknown quantity of cartridges shipped from MIS in California. |
| May 31, 2006 | Date of initial invoice received from MIS for 1 unit of black cartridges. |
| June 2, 2006 | A \$250.00 money order was purchased from the post office in Canoga Park, CA. |
| June 5, 2006 | The County Engineer deposited the \$250.00 money order to his personal bank account. |
| December 24, 2006 | A County warrant was issued for the MIS invoice dated May 31, 2006. |
| January 2007 | According to the County Engineer, cartridges shipped from MIS in California were received in the County Engineer's Office. Also, according to the County Engineer, 5 invoices from MIS dated from October 9, 2006 through November 6, 2006 were for the cartridges received in January 2007. |
| January 9, 2007 | A \$1,000.00 money order was purchased from the post office in Canoga Park, CA. |
| January 12, 2007 | The County Engineer deposited the \$1,000.00 money order to his personal bank account. |
| February 2007 | The Board of Supervisors received a claim authorized by the County Engineer which included the 5 invoices from MIS dated October 9, 2006 through November 6, 2006. The Board declined to approve the claim. |
| February 22, 2007 | An inventory count of printer cartridges in the County Engineer's Office is performed. Only 58 cartridges are located. |
| February 28, 2007 | The County Engineer submits a memo to the Board of Supervisors providing additional information about the invoices from MIS. However, the information reported to the Board is not correct. The County Engineer also reports 480 printer cartridges, enough for a 2 year supply, were received. |
| April 20, 2007 | An inventory count of printer cartridges in the County Engineer's Office and outlying shops is performed by an auditor and the Monona County Sheriff. Only 75 cartridges are located. |

During our investigation, we also became aware of additional invoices for cartridges authorized for payment by the County Engineer from Quill and QOPS, another California vendor. According to the County Engineer, he believes QOPS is somehow related to MIS. The QOPS invoices also showed the quantity as units instead of the number of cartridges. We identified a number of concerns with the payments for printer cartridges authorized by the County Engineer, including the following:

- The County Engineer received 2 money orders after making purchases from MIS.
- The cost of the generic cartridges from MIS and QOPS exceeded the cost of name brand Hewlett Packard cartridges available from other vendors.
- It appears the County Engineer authorized payment for over 600 cartridges between January 1, 2004 and April 20, 2007; however, only 75 cartridges were on hand during an inventory performed in April 2007.
- The printers in the Engineer's Office that use the cartridges do not have the capacity to print the number of pages necessary to use all the invoiced cartridges not on hand.
- Based on procedures performed, it appears not all cartridges authorized for payment by the County Engineer were received.
- The 5 invoices submitted to the Board for payment by the County Engineer show cartridges were shipped to the County Engineer's Office within a few days of the order dates and, in 1 case, the cartridges were shipped 3 days before the order date. However, according to the County Engineer, the cartridges were not received until January 2007.

We are unable to determine how many cartridges were actually purchased and received from QOPS and MIS and, of those received, how many were used as of April 20, 2007.

A detailed explanation of each of our findings is included in the following sections of our report.

NUMBER OF PRINTER CARTRIDGES PURCHASED AND PRICE PAID

Each County official has the authority to make purchases for the operations of their respective offices. County officials are not required to make purchases from certain vendors. Based on our review of payments and discussions with the County Auditor, Monona County officials primarily purchase office supplies from Perkins Office Solutions, IOS Office Systems and Quill. Office supplies are periodically purchased from other vendors, such as OfficeMax, Office Depot and Staples. Perkins Office Solutions and IOS Office Systems are located in Sioux City and have sales representatives who stop at the Courthouse weekly to take orders. Both companies offer free delivery and sell printer cartridges which fit the printers in the County Engineer's Office. In addition, both companies offer discounted pricing to the County for office supplies. Office Depot, Office Max and Staples also offer free shipping and have discount programs available.

Between January 1, 2004 and April 20, 2007, the County Engineer authorized payments for printer cartridges from Quill, MIS and QOPS. None of the other County officials made purchases from MIS or QOPS. The payments authorized by the County Engineer during this time period have been listed in **Table 2**. As illustrated by the **Table**, the County Engineer authorized payments totaling \$18,259.49 in less than 2 years for printer cartridges.

Table 2

| Date Ordered per Invoice | Vendor | Amount Billed | | | | Total |
|-----------------------------|--------|---------------------|---------------------|----------------|----------|-----------|
| | | Black Cartridges | Color Cartridges | Combo Packs | Shipping | |
| 01/14/04 | QOPS | \$ 87.00 | 117.00 | - | 17.00 | 221.00 |
| 03/01/04 | QOPS | 164.00 | 134.00 | - | 21.52 | 319.52 |
| 06/01/05 | QOPS | 392.00 | - | - | 29.83 | 421.83 |
| 06/07/05 | QOPS | - | 236.00 | - | 29.83 | 265.83 |
| 08/09/05 | Quill | - | - | 104.38 | - | 104.38 |
| 08/31/05 | QOPS | 588.00 | 414.00 | - | 90.13 | 1,092.13 |
| 11/01/05 | QOPS | 708.00 | 414.00 | - | 90.13 | 1,212.13 |
| 11/14/05 | Quill | - | - | 46.39 | - | 46.39 |
| 05/31/06 | MIS | 1,248.00 | - | - | 90.13 | 1,338.13 |
| 10/09/06 | MIS | 2,496.00 | - | - | 150.31 | 2,646.31 |
| 10/16/06 | MIS | - | 2,499.60 | - | 150.31 | 2,649.91 |
| 10/23/06 | MIS | - | 2,499.00 | - | 150.31 | 2,649.31 |
| 10/30/06 | MIS | 2,496.00 | - | - | 150.31 | 2,646.31 |
| 11/06/06 | MIS | 2,496.00 | - | - | 150.31 | 2,646.31 |
| Total | | \$ 10,675.00 | 6,313.60 | 150.77 | 1,120.12 | 18,259.49 |

As illustrated by the **Table**, the County Engineer authorized payment for 6 invoices from QOPS for printer cartridges between January 1, 2004 and November 1, 2005. The payments totaled \$3,532.44. As illustrated by copies of invoices from QOPS in **Appendix 1**, QOPS was located in Van Nuys, California. According to the California Secretary of State's Office, QOPS was dissolved on September 25, 2006.

Also, according to the California Secretary of State's web site, MIS registered as a corporation on July 19, 2005 and is still active. As illustrated by **Table 2**, the County Engineer authorized 6 invoices from MIS for payment. The invoices were dated between May 31, 2006 and November 6, 2006. Copies of the invoices are included in **Appendix 2**.

As illustrated by the invoices in the **Appendix**, the mailing address for MIS is a post office box in Canoga Park, California. We also observed a box in the County Engineer's Office that held a shipping label from MIS. The label included a street address of 21515 Vanowen Street in Canoga Park. However, using an internet search for the phone number shown on the invoices, it appears the phone number for the vendor is associated with a street address of 21319 Avenue San Luis in Woodland Hills, California. According to public records for property, the address in Woodland Hills is a multi-family residential building. Canoga Park and Woodland Hills are in close proximity to each other in Los Angeles County. According to a representative of MIS, the vendor has several warehouses in the area.

Invoice Characteristics – When we reviewed the 5 MIS invoices submitted by the County Engineer in early 2007, we identified the following characteristics.

- The 5 invoices were sequentially numbered. However, according to the invoices, the orders were placed on 5 different days. The 5 order dates are 7 days apart from each other.
- The 5 invoices were for amounts significantly greater than previous cartridge purchases.

- Invoice number 16798 shows an order date of November 6, 2006. However, according to the invoice, the printer cartridges were shipped on November 3, 2006.
- The description of the cartridges was not consistent between the invoices and the invoices do not specify a number of cartridges.
- Each invoice contains the notation "FINAL & COMPLETE 2006."
- The cost of 1/2 unit of color printer cartridges was approximately \$2,649 while the cost for 1/2 unit of black printer cartridges was approximately \$2,646. Typically, the cost difference between black and color cartridges is much more.
- Each of the 5 invoices included shipping charges. However, according to the County Engineer, all of the cartridges from MIS were delivered in 2 shipments.

We also reviewed the May 31, 2006 invoice from MIS and determined the County paid half as much for 1 unit of black cartridges as was charged for 1/2 unit of black cartridges on the subsequent invoices. In addition, the cost of shipping increased from \$90.13 to \$150.13 while the amount of cartridges shipped decreased from 1 unit to 1/2 unit.

In addition, by comparing invoices from QOPS to invoices from MIS, we identified similarities between the invoices. The invoices from both vendors were laid out using the same format, including the same fields, fonts and terminology. As illustrated by **Appendices 1** and **2**, the only significant difference identified between the QOPS and MIS invoices was the vendor name. Also, the first invoice from MIS contained the same amount of shipping charges as the last invoice from QOPS.

During an interview with the County Engineer, he stated he believed "MIS was possibly the new name for QOPS." A special agent of the Division of Criminal Investigation (DCI) obtained the application prepared by MIS for a post office box. An authorized agent listed on the application for MIS was also listed as an authorized agent on QOPS's documents of incorporation. It appears at least 1 individual representing MIS is related to QOPS in some manner.

As illustrated by **Table 2**, most of the payments for printer cartridges authorized by the County Engineer were to QOPS and MIS. **Exhibit A** includes more information for each payment to these vendors.

Payments to QOPS—As illustrated by **Exhibit A**, the quantity of cartridges shown on the QOPS invoices changed from individual cartridges to units beginning with the invoice dated June 1, 2005. To estimate the number of cartridges from QOPS for invoices dated June 1, 2005 or later, we divided the invoice cost by the last known price per cartridge. The estimated number of cartridges is also included in **Exhibit A**. As illustrated by the **Exhibit**, the County Engineer authorized payments for approximately 125 printer cartridges from QOPS.

Because the invoices prior to June 1, 2005 included a specific number of cartridges, we were able to calculate the cost per cartridge. However, because the invoices dated June 1, 2005 and later did not contain a specific number of cartridges or cost per cartridge, the cost per cartridge was estimated to be \$27.33 for each black cartridge and \$22.33 for each color cartridge based on the last known cost.

Payments to MIS—The invoices from MIS do not specify a number of cartridges. Rather, the invoices show 1/2 or 1 unit of "HP 45" (black) or "HP 78" (color) cartridges. Based on the use of "HP" in the description, it appears the invoices were for name-brand HP printer cartridges. However, according to a discussion with the County Engineer, he knew he was authorizing payments for generic cartridges rather than name-brand HP cartridges. In addition, a representative of MIS told a DCI agent the invoiced cartridges were generic.

As previously stated, the invoices from MIS did not indicate the number of cartridges and the Board of Supervisors requested additional information from the County Engineer before the Board would authorize payment for the last 5 invoices. In response to the Board's request, the County Engineer presented a memo dated February 27, 2007 to the Board. A copy of the memo is included in **Appendix 3**.

As illustrated by the **Appendix**, the County Engineer reported to the Board 480 printer cartridges costing \$13,238.15 were received. The \$13,238.15 is the total of the 5 invoices from October 9, 2006 through November 6, 2006. However, according to a subsequent discussion we had with the County Engineer, the invoice dated May 31, 2006 also included a portion of the 480 printer cartridges reportedly received from MIS and the cost of the invoice should have been included in the memo, but it was overlooked.

According to the County Engineer, the County Engineer's Office received the cartridges from MIS in 2 shipments, each consisting of approximately 120 black and 120 color cartridges for a total of 480 cartridges. However, according to the County Engineer, the cost of the second shipment was split between the 5 invoices dated from October 9, 2006 through November 6, 2006. According to the County Engineer, he was unsure why the vendor has split the cost of the second shipment between the 5 invoices, other than perhaps to allow for the payment for the shipment to be spread out. According to a representative of MIS, the cost of the shipment was split over the 5 invoices at the County Engineer's request.

Also, as illustrated by **Table 3**, the County Engineer's calculations in the memo were not mathematically correct and the savings amount he reported to the Board was overstated. When the first invoice is considered, as the County Engineer subsequently stated it should have been, the cost of purchases from MIS exceed the cost of 240 black and 240 color cartridges purchased from local vendors.

Table 3

| Description | Amount Reported by County Engineer | | Correct Amount |
|-----------------------------------|---------------------------------------|--------------------------|-------------------|
| | With Footing Error | Without Footing Error | |
| Invoiced by MIS: | | | |
| Black | \$ 7,488.00 | 7,488.00 | 8,736.00^ |
| Color | 4,998.60 | 4,998.60 | 4,988.60 |
| Shipping | 751.55 | 751.55 | 841.68^ |
| Cost of cartridges from MIS | 13,238.15 | 13,238.15 | 14,566.28^ |
| Cartridges bought locally: | | | |
| Black | 7,197.60 | 7,197.60 | 7,197.60* |
| Color | 8,397.60 | 8,397.60 | 8,397.60* |
| Cost of local purchases | 23,992.80# | 15,595.20 | 15,595.20 |
| Savings / (Additional Cost) | \$ 10,754.65 | 2,357.50 | (1,028.92) |

^ - Includes invoice dated May 31, 2006.

* - Confirmed with Iowa Office Supply.

- Total cost shown by the County Engineer is incorrect; it does not foot.

In addition to including incorrect calculations, the savings reported by the County Engineer were overstated because his calculations compared the cost of generic cartridges from MIS to name-brand Hewlett Packard cartridges from local vendors. Typically, name brand cartridges are more expensive than generic cartridges.

As illustrated by the **Table**, it would cost the County \$1,028.92 more to obtain 480 printer cartridges from MIS rather than a local vendor. This additional cost is a conservative estimate. The per-cartridge cost of cartridges bought locally used by the County Engineer was confirmed from Iowa Office Supply for name-brand Hewlett-Packard (HP) cartridges and does not provide for any discounts that may be provided to the County. The cost for the HP cartridges available locally has been compared to the cost of generic cartridges from MIS. Based on our observation of cartridges in the County Engineer's Office, the cartridges from MIS were not name-brand HP cartridges. Also, during a discussion between a DCI agent and an MIS representative, the MIS representative stated they do not distribute HP cartridges.

The County Engineer calculated the \$20.83 cost per color cartridge reported in the memo by dividing the cost of color cartridges from MIS invoice numbers 16795 and 16796 by 240. In addition, the County Engineer calculated the \$31.20 cost per black cartridge reported in the memo by dividing the cost of black cartridges from MIS invoice numbers 16794, 16797 and 16798 by 240. However, when invoice number 14481 dated May 31, 2006 is considered, the cost per black cartridge cost increases to \$36.40.

Based on discussions with Information Technology staff from the Office of Auditor of State and research we conducted on the price of printer cartridges from various vendors, black cartridges are typically less expensive than color cartridges. However, if 240 black cartridges and 240 color cartridges were received from MIS, the County Engineer authorized payment for \$36.40 for each black cartridge and \$20.83 for each color cartridge. These prices reflect a price approximately 43% higher for a black cartridge than the price of a color cartridge. Because it is unusual for the cost of a black cartridge to exceed the cost of a color cartridge, it appears the quantities reported by the County Engineer may not be accurate. The County Engineer's Office may not have received the number of cartridges reported by the County Engineer.

During the DCI agent's discussion with the MIS representative, the representative initially stated the first order made by the County Engineer on May 31, 2006 was for 1 unit, or 18 cartridges, at a cost of \$69.00 per cartridge. When the DCI agent pointed out the per-cartridge cost provided by the representative did not work out mathematically, several excuses were provided. While the representative told the DCI agent several per cartridge costs, none of the costs mathematically equated to the invoice cost when multiplied by 18 cartridges. However, the variances for each price provided were small. The MIS representative did not provide the DCI agent with a cost per cartridge for any of the other invoices. During the discussion, the MIS representative also stated the number of cartridges within a unit can vary. As a result, we were unable to definitively determine the number of cartridges invoiced, and for purposes of this report, we have used the 480 cartridges identified by the County Engineer as the number of cartridges received from MIS.

Total Cartridges – Table 4 compares the list price per cartridge for HP cartridges and generic cartridges obtained from various vendors as of August 9, 2007. The amounts shown do not include any quantity discounts or discounts for government or corporate clients. The **Table** also shows the cost for cartridges negotiated under contract by the State of Iowa with Office Max. According to the Iowa Department of Administrative Services (DAS), counties are allowed to purchase supplies under the State contract. The costs for QOPS and MIS were calculated based on available information, as illustrated and explained in **Exhibit A**.

Table 4

| Type of Cartridge | Black Cartridges | | Color Cartridges | | Combo Pack** | Shipping charge |
|-----------------------------|------------------|---------|------------------|---------|--------------|-----------------|
| | HP | Generic | HP | Generic | | |
| Perkins Office Solutions^ | \$ 37.45 | - | 42.79 | - | - | No # |
| MIS | - | 36.40 | - | 20.83 | - | Yes |
| Iowa Office Supply Inc.^ | 29.99 | - | 34.99 | - | - | No # |
| Staples* | 29.99 | - | 34.99 | - | 57.99 | No # |
| Office Max* | 29.99 | 25.49 | 39.99 | 29.99 | 57.99 | No # |
| Office Depot* | 29.99 | 26.99 | 34.99 | 29.99 | 58.99 | No # |
| QOPS | - | 27.33 | - | 22.33 | - | Yes |
| Office Max – State contract | 24.06 | 10.09 | 29.83 | - | - | No # |

** - A combo pack contains 2 cartridges; 1 black and 1 color.

^ - These are the vendors most frequently used by the other County Offices for purchases of printer cartridges. They offer discounts on various items and total purchases.

* - Additional discounts may be available based on quantity ordered or value of the total order.

- Shipping is typically free if the total value of the order exceeds a specified amount (usually \$50.00).

As illustrated by the **Table**, the cost for generic black cartridges from MIS is higher than similar cartridges available from all other vendors listed. The price for generic black cartridges from Office Max and Office Depot is \$25.49 and \$26.99, respectively, while the price from MIS was \$36.40. In addition, generic black cartridges can be purchased through the State contract with Office Max for \$10.09 per cartridge, an amount that is \$21.11 less than the cost from MIS.

The **Table** also illustrates the cost of a color cartridge from MIS is less than the cost of a color cartridge available from any other vendor listed. However, the cost of a color cartridge from MIS is also less than the cost of a black cartridge from MIS. As stated previously, this is very unusual. As illustrated by the **Table**, the cost of a color cartridge exceeds the cost of a black cartridge for all other vendors.

All vendors listed in **Table 4** offer free shipping, with the exception of QOPS and MIS. As illustrated by **Exhibit A**, the County Engineer authorized invoices for payment that included \$1,120.12 of shipping costs.

INVENTORY AND USE OF CARTRIDGES

As illustrated by **Exhibit A**, the County Engineer authorized payments for 605 cartridges from QOPS and MIS for invoices dated between January 1, 2004 and November 6, 2006. In addition, payment to Quill for 3 combo packs containing 6 cartridges was authorized.

Of the 611 cartridges authorized for payment by the County Engineer during this time period, 480 were from MIS in less than a year. In the memo to the Board, the County Engineer stated the 480 cartridges from MIS during 2006 represented a 2 year supply. However, the shelf life of cartridges typically does not extend beyond 1 year. As mentioned previously, the County Engineer's Office only has 2 printers in the main office. The County does not track printer cartridge usage by individual departments.

According to the secretary in the County Engineer's Office, deliveries and the printer cartridges used are not tracked or recorded in any manner. In addition, packing slips are not maintained and were not available for our review. The secretary did not know how many cartridges the Office had received or used.

On April 20, 2007, we conducted an inventory of printer cartridges in the County Engineer's Office and the District offices. A total of 75 cartridges were located, consisting of 41 black and 34 color cartridges. In addition, we observed 1 generic black cartridge and 1 HP color cartridge

in each of the 2 printers. Because the cartridges in the printers were partially used and we were unable to determine the remaining capacity of the cartridges, we did not include them in the count of cartridges on hand.

Of the 75 cartridges, 2 were found at a District shop. The remaining 73 cartridges were found in 4 boxes in the County Engineer's Office. Of the 4 boxes, 2 had shipping labels attached which showed the boxes were shipped by QOPS, 1 had a shipping label attached from MIS and the last box did not have a label. **Table 5** shows the contents of each box we located at the County Engineer's Office. The information shown in parentheses is from the shipping label on the box.

Table 5

| Type of Cartridge | Box 1 (QOPS) | Box 2 (QOPS) | Box 3 (MIS) | Box 4 (no label) | Total |
|-------------------|--------------|--------------|-------------|------------------|-------|
| Black cartridges | 26 | 6 | - | 5 | 37 |
| Color cartridges | 2 | 3 | 39 | 3 | 36 |
| Total | 28 | 9 | 39 | 7 | 73 |

The QOPS labels also had dates of July 2005 and October 2005 printed on them. The MIS label included a date of April 2006.

Because ink cartridges do not have an indefinite shelf life, the oldest cartridges are typically used first. However, as illustrated by the **Table**, 37 of the cartridges on hand on April 20, 2007 were in boxes with a QOPS label, even though the most recent purchase from QOPS was in November 2005. In addition, only 39 cartridges were in a box with an MIS label although, according to the County Engineer, the final shipment of 480 cartridges had just been received in January 2007. However, we are unable to determine if the cartridges in the boxes actually came from the vendor shown on each box's shipping label. During a discussion with the County Engineer, he stated he may have repacked the boxes containing the cartridges. It is not clear why the County Engineer would repack cartridges purchased from 1 vendor into a box from another vendor. It is also not clear why boxes from QOPS would still be on hand if the cartridges purchased from that vendor had been used.

Table 6 compares the 75 cartridges located at the County Engineer's Office and District Office to the number of cartridges purchased by the County Engineer between June 1, 2005 and April 20, 2007, as calculated in **Exhibit A**. As illustrated by the **Exhibit**, between January 1, 2004 and May 31, 2005 (17 months) the County Engineer's Office was invoiced for only 9 black cartridges and 9 color cartridges. Between June 1, 2005 and November 6, 2006 (just over 17 months) 304 black cartridges and 289 color cartridges were invoiced to the Office. Because it is likely the 18 cartridges invoiced between January 1, 2004 and May 31, 2005 were used prior to large quantities being invoiced, they will not be considered in the following analysis.

Table 6

| Description | Number of Cartridges | | |
|--|----------------------|-------|-------|
| | Black | Color | Total |
| Number of cartridges invoiced: | | | |
| From QOPS (June 2005 – November 2005) | 61 | 46 | 107 |
| From Quill (August and November 2005) | 3 | 3 | 6 |
| From MIS (May 2006 – November 2006) | 240 | 240 | 480 |
| Total invoiced (A) | 304 | 289 | 593 |
| Number of cartridges on hand: | | | |
| April 20, 2007 count (main office) | 37 | 36 | 73 |
| April 20, 2007 count (District Offices) | 2 | - | 2 |
| Total cartridge inventory (B) | 39 | 36 | 75 |
| Difference, amount calculated as used (A-B) | 265 | 253 | 518 |

As illustrated by the **Table**, if the County Engineer's Office received all 593 cartridges the County Engineer authorized payment for between June 1, 2005 and April 20, 2007 and only 75 were on hand, it appears 518 cartridges were used during this time period.

For comparison purposes, the Office of Auditor of State currently has 22 Hewlett Packard printers. Between July 1, 2005 and June 30, 2006, 180 black cartridges and 35 color cartridges were purchased for these printers. This equates to approximately 18 cartridges used per month for the 10 printers, or less than 1 cartridge per printer per month. The printers are used on a daily basis by audit staff. The 215 cartridges purchased by the Office of Auditor of State during the period July 1, 2005 through June 30, 2006 cost \$3,138.76.

While the Office of Auditor of State has more than 10 times the number of printers which use the same type of HP cartridge, the County Engineer's Office appears to have used more cartridges on a monthly basis than the Office of Auditor of State. The calculated rate of use of cartridges for the County Engineer's Office is approximately 22½ cartridges per month, or more than 11 cartridges per printer per month.

All ink cartridges have a shelf life after which point they tend to dry out and clog. According to Hewlett Packard technical support staff, HP cartridges have a shelf life of 1 year and are warranted for 1 year past the date of manufacture. Both HP technical support staff and the IT staff from the State Auditor's Office recommend buying cartridges on an as needed basis or maintaining a limited supply (approximately 1 or 2 months) on hand. If a large supply is maintained and not used timely, the purchaser will incur additional costs to replace the outdated cartridges. As a result, it would not be in the County's best interest to purchase a 2 year supply. As stated previously, the County Engineer reported to the Board purchasing a 2 year supply of cartridges saved the County money.

An inventory count was also performed on February 22, 2007. This count was taken shortly after the second shipment from MIS and shortly before the County Engineer prepared his memo to the Board. During the count taken on February 22, 2007, 58 cartridges were located. By April 20, 2007 the number of cartridges on hand in the County Engineer's Office had increased by 27. The increase cannot be explained.

EXPECTED USE OF CARTRIDGES

We reviewed information available on Hewlett Packard's web site and determined HP 45 black and HP 78 color ink cartridges are expected to produce approximately 830 and 450 pages per cartridge, respectively. Using this information, we calculated the approximate number of pages 274 black cartridges and 262 color cartridges would print. **Table 7** contains our calculations. As illustrated by the **Table**, the Engineer's Office would have had to print approximately 775 per day for 22 months to use the number of cartridges calculated as used in **Table 6**.

Table 7

| Cartridge Type | Approximate Number of Cartridges Used** | Number of Pages Expected to be Printed | | | |
|----------------|---|--|---------|----------------------------|-----------------------|
| | | Per Cartridge* | Total | Per Month^ (Rounded) | Per Day# (Rounded) |
| HP 45 Black | 265 | 830 | 219,950 | 9,563 | 478 |
| HP 78 Color | 253 | 450 | 113,850 | 4,950 | 248 |
| Total | 518 | 1,280 | 333,800 | 14,513 | 726 |

** - Per **Table 6**.

* - According to the HP website.

^ - Based on the 23 months between June 1, 2005 and April 20, 2007.

- Based on 20 working days per month.

However, it may be appropriate to reduce the number of pages shown in **Table 7** because the County Engineer authorized payments for generic cartridges rather than name-brand HP cartridges. Based on discussions with Hewlett Packard staff and our IT staff, generic cartridges usually do not print as many pages as HP cartridges. Usually, generic cartridges cost less since they use lower quality ink and may not be completely filled. Because generic cartridges print fewer pages, the numbers shown in the **Table** could vary.

We also used the information from the Hewlett Packard website to determine the approximate number of pages that would be expected to be printed from the 240 black cartridges and 240 color cartridges the County Engineer stated were received from MIS. Our calculations are shown in **Table 8**. As stated previously, the County Engineer reported to the Board of Supervisors in a memo the 480 cartridges constituted a 2 year supply, yet only 75 were on hand on April 20, 2007.

Table 8

| Cartridge Type | Number of Cartridges | Number of Pages Expected to be Printed | | | |
|----------------|----------------------|--|---------|------------|----------|
| | | Per Cartridge* | Total | Per Month^ | Per Day# |
| HP 45 Black | 240 | 830 | 199,200 | 8,300 | 415 |
| HP 78 Color | 240 | 450 | 108,000 | 4,500 | 225 |
| Total | 480 | 1,280 | 307,200 | 12,800 | 640 |

* - According to the HP website.

^ - Based on 24 months.

- Based on 20 working days per month

However, it may be appropriate to reduce the number of pages shown in **Table 8** because the County Engineer authorized payments for generic cartridges rather than name-brand HP cartridges. As stated previously, the County Engineer's Office has only 2 printers which use the type of cartridges purchased from QOPS and MIS. The models of the printers are HP 6122 and HP 1220. According to discussions with IT staff of the State Auditor's Office, these printers are not built for heavy duty use. Information provided by Hewlett Packard states these are medium duty printers with a monthly volume of approximately 5,000 pages each, or a total of 60,000 pages per year per printer. The number of pages the 480 cartridges would print exceeds the expected annual capacity of the printers in the Engineer's Office. Both of the printer models are no longer available from Hewlett Packard.

We are also unable to determine if all cartridges for which the County Engineer authorized payment to QOPS and MIS were actually received, if only a portion of the cartridges were received or if a portion of the cartridges were used.

DEPOSITS TO THE COUNTY ENGINEER'S PERSONAL BANK ACCOUNT

Because of the irregularities identified with the MIS invoices the County Engineer submitted for payment, an interview was held by a DCI agent and an auditor from the State Auditor's Office with the County Engineer. During the interview, the County Engineer admitted he received 2 postal money orders from a representative of MIS and deposited them to his personal bank account. During the interview, the County Engineer initially denied he had received any gifts or compensation of any type from MIS in exchange for the orders he authorized from the vendor. However, as the interview progressed and he was again asked if he had received any money, he stated he remembered receiving something in the mail but could not remember from whom it was received. When pressed for more detail, he stated he had received 2 postal money orders and he thought 1 was for "\$1,000 and a second for \$500'.

During the interview, he also stated “I know I’ve made a mistake, big mistake by even agreeing to buy the cartridges.” He also stated “that’s one reason I stopped.”

We obtained and reviewed the bank statements of the County Engineer’s personal account for the period January 1, 2004 through April 15, 2007. As a result of our review, we identified a \$250.00 postal money order deposited on June 5, 2006. We also identified a \$1,000.00 postal money order deposited on January 12, 2007. Copies of the money orders are included in **Appendix 4. Table 9** lists the postal money orders deposited to the County Engineer’s personal bank account.

Table 9

| Date of Postal Money Order | Deposit Date | Amount |
|-----------------------------------|---------------------|---------------|
| 06/02/06 | 06/05/06 | \$ 250.00 |
| 01/09/07 | 01/12/07 | 1,000.00 |
| Total | | \$ 1,250.00 |

We used the United States Postal Service’s website to match the zip code shown on the money orders to the post office located at 21801 Sherman Way in Canoga Park, California. The Canoga Park Post Office is approximately 2 miles from the address identified for MIS in Woodland Hills using the phone number listed on the MIS invoices. Because the postal money orders were purchased from the Post Office near MIS’ address shortly after a shipment was reportedly sent to the County by MIS and the County Engineer admitted to a DCI agent he received the money orders from MIS, it is apparent he received a kickback from the vendor.

A review of activity in the County Engineer’s personal bank account did not disclose any additional postal money orders, payments from MIS or other large unusual deposits. However, if the County Engineer received additional payments, it is possible they were not deposited to his personal bank account. We did not request detailed support for all deposits made to the County Engineer’s account. If we had requested support for all deposits, additional items may have come to our attention which would have been reported.

OTHER DISBURSEMENTS

While visiting the various district shops, we spoke with staff regarding purchases of equipment and supplies. According to the staff we spoke with, the County Engineer did not always obtain the best price or check with the shops to determine if other shops would need to order similar equipment, such as blades for the graders. According to 1 staff person we spoke with, a significant savings could be achieved by purchasing blades in large quantities.

According to interviews conducted by a DCI agent with various staff members from the Engineer’s Office, individuals in the shops may order their own supplies, small tools and some small equipment. These orders are to be approved by the County Engineer. When the County needs to purchase large quantities, hire a contractor for a project, purchase large equipment or vehicles or bid certain items, the County Engineer is to handle these items.

As part of our investigation, we reviewed selected disbursements authorized by the County Engineer. Our testing identified several instances in which promotional items were received from various vendors. The promotional items received included a laser level, 25-piece mini-tool set, 2 in 1 duffle bag, picnic cooler and a 131 piece tool set. When the County Engineer was asked about these items, he stated the items were most likely kept in the Office or possibly at 1 of the shops.

The County Engineer also stated he sometimes received items like cookies and popcorn. These items were left in the Office for anyone to eat. According to the County Auditor, the County

does not have a policy on how to handle promotional items or gifts received as a result of purchases.

We also reviewed the purchases made from Cal-Pacific Products and ACE Industrial Supply, which are also located in California. **Exhibit B** lists the purchases from these 2 vendors for the period July 28, 2004 through November 29, 2005. We determined each of the items purchased from the 2 vendors could be purchased from both local and national companies. According to the County Engineer, he used these vendors since they had been used by the previous County Engineer.

As illustrated by **Exhibit B**, the April 6, 2005 purchase from ACE Industrial Supply was for Class II Lime Green Safety Vests. According to the invoice, the County Engineer's office paid \$789.60 for 24 vest, or \$32.90 per vest. The same vests are also available from the Department of Transportation. On occasion the County Engineer will buy from DOT. If the County Engineer had purchased the vests from the DOT warehouse, they would have paid a total of \$508.32, or \$21.18 per vest, resulting in a savings of \$281.28 for the 24 vests. During our visits to the shops, we observed many of these vests still on hand 2 years after their purchase. According to staff we spoke with, they stated the County Engineer would sometimes order more supplies than needed. Examples identified by the staff included the safety vests and caution tape.

Because the items purchased appear to have been received by the County Engineer's Office and we did not identify any additional compensation received by the County Engineer for the purchases, we have not identified any additional improper payments authorized by the County Engineer.

Recommended Control Procedures

As part of our investigation, we reviewed the procedures used by Monona County to process disbursements. An important aspect of internal control is to establish procedures which provide accountability for assets susceptible to loss from errors or 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 County's internal controls.

- (A) Promotional Items – The County does not have policies and procedures addressing the proper disposition of promotional items received from vendors.

Recommendation – The Board of Supervisors should develop and implement written policies and procedures addressing the proper disposition of promotional items.

- (B) Purchasing – The County does not have an authorized vendor listing or a policy regarding purchasing from certain vendors to maximize savings or quantity discounts. Because each County Office has purchasing authority, the County may forgo quantity discounts and, as a result, not receive the best value.

Recommendation – The Board should consider developing an authorized vendor listing and a policy regarding purchases in a manner to maximize savings or quantity discounts. In addition, the Board should consider developing procedures to coordinate purchases among offices of common equipment and supplies to achieve quantity discounts.

- (C) Supporting documentation – Claims submitted by the County Engineer's Office did not always contain adequate supporting documentation and did not include receiving reports or other similar documentation.

Recommendation – The Board should implement policies requiring adequate supporting documentation be provided in order to ensure an understanding of what goods and services were purchased and the related quantity. In addition, the Board should implement policies to ensure receiving reporting are reviewed by an independent party prior to authorizing payment.

Exhibits

Report on Special Investigation of the
Monona County Engineer's Office

Invoices for Printer Cartridges
For the period January 1, 2004 through April 20, 2007

| Date Paid | Per Invoice | | | | | | |
|--|---------------|-------------------|----------------------------|------------|-----------------|---------------------|------------------|
| | Order Date | Invoice Number | Product Description | Quantity | Product Cost | Shipping Charges | Total invoice |
| Quality Office & Printing Supplies, Inc. (QOPS): | | | | | | | |
| 02/24/04 | 01/14/04 | 4852 | HP (78D) | 3 | \$ 117.00 | | |
| | | 4852 | HP (45A) | 3 | 87.00 | 17.00 | 221.00 |
| 04/18/04 | 03/01/04 | 5448 | HP CLR (78D) | 6 | 134.00 | | |
| | | 5448 | HP BLK (45A) | 6 | 164.00 | 21.52 | 319.52 |
| 06/17/05 | 06/01/05 | 10038 | HP 45 BLK | 1 1/2 Unit | 392.00 | 29.83 | 421.83 |
| 08/23/05 | 06/07/05 | 10039 | HP 78 CLR | 1 Unit | 236.00 | 29.83 | 265.83 |
| 10/26/05 | 08/31/05 | 11007 | HP 45(C-51645) | 3 1/2 Unit | 588.00 | | |
| | | 11007 | HP 78D (C-6578D) | 2 1/2 Unit | 414.00 | 90.13 | 1,092.13 |
| 12/27/05 | 11/01/05 | 11778 | HP 45A BLK INK JET - 1645A | 3 1/2 Unit | 708.00 | | |
| | | 11778 | HP 78A (C-6578D) | 2 1/2 Unit | 414.00 | 90.13 | 1,212.13 |
| Subtotal-QOPS | | | | | 3,254.00 | 278.44 | 3,532.44 |
| Master Image Supply, Inc. (MIS): | | | | | | | |
| 12/24/06 | 05/31/06 | 14481 | HP 45A | 1 Unit | 1,248.00 | 90.13 | 1,338.13 |
| Not Paid | 10/09/06 | 16794 | HP 45A BLK INK JET | 1/2 Unit | 2,496.00 | 150.31 | 2,646.31 |
| Not Paid | 10/16/06 | 16795 | HP 78A INK JET | 1/2 Unit | 2,499.60 | 150.31 | 2,649.91 |
| Not Paid | 10/23/06 | 16796 | HP 78A CLR | 1/2 Unit | 2,499.00 | 150.31 | 2,649.31 |
| Not Paid | 10/30/06 | 16797 | HP 45A BLK INK JET | 1/2 Unit | 2,496.00 | 150.31 | 2,646.31 |
| Not Paid | 11/06/06 | 16798 | HP 45A INK JET | 1/2 Unit | 2,496.00 | 150.31 | 2,646.31 |
| Subtotal-MIS | | | | | 13,734.60 | 841.68 | 14,576.28 |
| Total | | | | | \$ 16,988.60 | 1,120.12 | 18,108.72 |

^ - Calculated by dividing the product cost by the quantity shown on the invoice.

* - Known quantity based on invoice.

^^ - Price is estimated based on the last known cost per cartridge.

** - Estimated by AOS based on dividing the product cost by the last known cost per cartridge.

- Price calculated by dividing the total cost of invoices for black cartridges by 240 and color cartridges by 240.

According to the County Engineer, a total of 240 black and 240 color cartridges were received from MIS.

@ - Calculated by dividing the product cost by the calculated cost per cartridge.

- Invoice was paid by the County. The 5 invoices total \$4,330.05.

| Calculated Cost per Cartridge | Number of cartridges | Improper Invoice Authorized for Payment by County Engineer |
|-------------------------------------|-------------------------|--|
| 39.00 ^ | 3 * | \$ - |
| 29.00 ^ | 3 * | - |
| 22.33 ^ | 6 * | - |
| 27.33 ^ | 6 * | - |
| 27.33 ^^ | 14 ** | 421.83 # |
| 22.33 ^^ | 10 ** | 265.83 # |
| 27.33 ^^ | 21 ** | 1,092.13 # |
| 22.33 ^^ | 18 ** | |
| 27.33 ^^ | 26 ** | 1,212.13 # |
| 22.33 ^^ | 18 ** | |
| | <u>125</u> | |
| 36.40 ## | 34 @ | 1,338.13 # |
| 36.40 ## | 69 @ | 2,646.31 |
| 20.83 ## | 120 @ | 2,649.91 |
| 20.83 ## | 120 @ | 2,649.31 |
| 36.40 ## | 69 @ | 2,646.31 |
| 36.40 ## | 69 @ | 2,646.31 |
| | <u>480</u> | |
| | <u>605</u> | <u>\$ 17,568.20</u> |

Report on Special Investigation of the
Monona County Engineer's Office

Selected Disbursements
For the period January 1, 2004 through April 20, 2007

| Invoice Date | Vendor | Item Description | Number of Units | Cost per Unit | Total |
|--------------|-----------------------|--|-----------------|---------------|--------|
| 07/28/04 | ACE Industrial Supply | Ratchet Hardhat - white heavy duty | 12 | \$ 19.90 | 238.80 |
| 08/31/04 | ACE Industrial Supply | 3" x 1000' day/night caution tape | 12 | 19.90 | 238.80 |
| 02/15/05 | ACE Industrial Supply | 21 pc Magnum Gold Drill Set Cordless Drill 14.4 volt skill | 1 | 229.00 | 229.00 |
| 04/06/05 | ACE Industrial Supply | Class II Lime Green Safety Vest | 24 | 32.90 | 789.60 |
| 09/20/05 | ACE Industrial Supply | Package (Air Grinder) 3 abrasive cutoff wheel Air Die Grinder 1/4 mandrel for air grinder 3/8 x 25' blue tru-flex airhose Clear flex goggles 13 pc titanium drill bit set ACE wildlife calender Gift scenic calender | 2 | 141.75 | 283.50 |
| 11/29/05 | Cal-Pacific Products | Green Mesh Safety Vest W/Flor Stripes | 25 | 19.99 | 499.75 |
| | | Lg Polyester Multi-Pocket Safety Vest | 6 | 39.99 | 239.94 |
| | | Total | | | |

| Misc Charges | Total |
|-------------------------|---------------------------|
| 23.10 | 261.90 |
| - | 238.80 |
| 47.85 | 276.85 |
| 159.85 | 949.45 |
| - | 283.50 |
| 77.06 | <u>816.75</u> |
| | <u><u>\$ 2,827.25</u></u> |

Report on Special Investigation of the
Monona County Engineer's Office

Staff

This special investigation was performed by:

Annette K. Campbell, CPA, Director
James S. Cunningham, CPA, Senior Auditor II

A handwritten signature in black ink that reads "Tamera S. Kusian". The signature is written in a cursive style with a large, stylized 'T' and 'K'.

Tamera S. Kusian, CPA
Deputy Auditor of State

Appendices

Report on Special Investigation of the
Monona County Engineer's Office

Copies of Invoices from QOPS

**Q.O.P.S.
QUALITY OFFICE &
PRINTING SUPPLY INC.**

16118 Sherman Way, Van Nuys, CA 91406
(818) 994-6030 • (800) 990-9540 • FAX: (818) 994-8030

Invoice 4852
(712) 423-2284

Bill To: COUNTY ENGINEERING
P.O. BOX 236
ONAWA IA 51040

Ship To: COUNTY ENGINEERING
610 IOWA AV.
ONAWA IA 51040

| | | |
|---------------------------------------|--|---|
| CONTACT JOHN SINGLSTAT 5000 | TERMS 30 SHIP VIA UPS | ORDER DATE 1/14/04 SHIP DATE JAN-16-2004 PO NUMBER VBL |
|---------------------------------------|--|---|

| ID PRODUCT NAME | QUANTITY | CREDIT | LINE TOTAL |
|-----------------|----------|--------|------------|
| HP (76D) | 3 EA | | \$117.00 |
| HP (45A) | 3 EA | | \$87.00 |

PAID FEB 24 2004

| | |
|------------------------|----------|
| SUBTOTAL | \$204.00 |
| SHIPPING CHARGE | \$17.00 |
| SALES TAX | \$0.00 |
| ORDER TOTAL | \$221.00 |
| TOTAL DUE | \$221.00 |

5% DISCOUNT IF IT'S PAID WITHIN 15 DAYS
FROM THE RECEIPT OF INVOICE

Report on Special Investigation of the
Monona County Engineer's Office

Copies of Invoices from QOPS

Q.O.P.S.
**QUALITY OFFICE &
PRINTING SUPPLY INC.**
P.O. Box 10429, Van Nuys, CA 91410
(818) 994-6030 • (800) 990-9540 • FAX: (818) 994-8030

Invoice 5448
(712)423-2284

Bill To: COUNTY ENGINEERING
P.O. BOX 238
ONAWA IA 51040

Ship To: COUNTY ENGINEERING
610 IOWA AV.
ONAWA IA 51040

| | | |
|--------------------------------------|--|--|
| CONTACT JOHN SINGLESTAD 27 | TERMS 30 SHIP VIA UPS | ORDER DATE 3/1/04 SHIP DATE MAR 17 2004 PO NUMBER VBL |
|--------------------------------------|--|--|

| ID PRODUCT NAME | QUANTITY | CREDIT | LINE TOTAL |
|-----------------|----------|--------|------------|
| HP CLR.(78D) | 6 EA | | \$134.00 |
| HP BLK.(45A) | 6 EA | | \$164.00 |

PAID APR 28 2004

WE ACCEPT VISA/MC/AMEX DISCOVER
DISCOUNT AVAILABLE WITH THESE SERVICES:
THANK YOU FOR YOUR BUSINESS.

5% DISCOUNT IF IT'S PAID WITHIN 15 DAYS
FROM THE RECEIPT OF INVOICE

| | |
|------------------------|-----------------|
| SUBTOTAL | \$298.00 |
| SHIPPING CHARGE | \$21.52 |
| SALES TAX | \$0.00 |
| ORDER TOTAL | \$319.52 |
| TOTAL DUE | \$319.52 |

Report on Special Investigation of the
Monona County Engineer's Office

Copies of Invoices from QOPS

| Q.O.P.S. | | | | | | | | | | | | | |
|---|--------------|--|------------|-------------------------|----------|-------------------|------------|--------------|----------------------|-------------|----------|---------------|----------|
| QUALITY OFFICE & PRINTING SUPPLY INC. | | | | | | | | | | | | | |
| P.O. Box 10429, Van Nuys, CA 91410 | | | | | | | | | | | | | |
| (818) 994-6030 • (800) 990-9540 • FAX: (818) 994-8030 | | | | | | | | | | | | | |
| | | Invoice 10038 | | | | | | | | | | | |
| | | (712)433-2284 | | | | | | | | | | | |
| Bill To: | | Ship To: | | | | | | | | | | | |
| COUNTY ENGINEERING | | COUNTY ENGINEERING | | | | | | | | | | | |
| P.O. BOX 238 | | 610 IOWA AVE. | | | | | | | | | | | |
| ONAWA IA 51040 | | ONAWA IA 51040 | | | | | | | | | | | |
| <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"><table border="0" style="width: 100%;"><tr><td style="width: 40%;">CONTACT JOHN SINGLESTAD</td><td style="width: 10%;">TERMS 30</td><td style="width: 50%;">ORDER DATE 6/1/06</td></tr><tr><td style="text-align: center;">9</td><td>SHIP VIA UPS</td><td>SHIP DATE JUN 9 2005</td></tr><tr><td></td><td></td><td>PO NUMBER VBL</td></tr></table></div> | | | | CONTACT JOHN SINGLESTAD | TERMS 30 | ORDER DATE 6/1/06 | 9 | SHIP VIA UPS | SHIP DATE JUN 9 2005 | | | PO NUMBER VBL | |
| CONTACT JOHN SINGLESTAD | TERMS 30 | ORDER DATE 6/1/06 | | | | | | | | | | | |
| 9 | SHIP VIA UPS | SHIP DATE JUN 9 2005 | | | | | | | | | | | |
| | | PO NUMBER VBL | | | | | | | | | | | |
| <table border="0" style="width: 100%; margin-top: 10px;"><thead><tr><th style="text-align: left;">ID PRODUCT NAME</th><th style="text-align: left;">QUANTITY</th><th style="text-align: left;">CREDIT</th><th style="text-align: left;">LINE TOTAL</th></tr></thead><tbody><tr><td>HP 45 BLK.</td><td>1 1/2 UNIT</td><td></td><td>\$392.00</td></tr></tbody></table> | | | | ID PRODUCT NAME | QUANTITY | CREDIT | LINE TOTAL | HP 45 BLK. | 1 1/2 UNIT | | \$392.00 | | |
| ID PRODUCT NAME | QUANTITY | CREDIT | LINE TOTAL | | | | | | | | | | |
| HP 45 BLK. | 1 1/2 UNIT | | \$392.00 | | | | | | | | | | |
| PAID JUN 17 2005 | | | | | | | | | | | | | |
| <p>WE ACCEPT VISA/MC/AMEX DISCOVER DISCOUNT AVAILABLE WITH THESE SERVICES: THANK YOU FOR YOUR BUSINESS.</p> <p>5% DISCOUNT IF IT'S PAID WITHIN 15 DAYS FROM THE RECEIPT OF INVOICE</p> | | <table border="0" style="width: 100%;"><tr><td style="width: 60%;">SUBTOTAL</td><td style="width: 40%; text-align: right;">\$392.00</td></tr><tr><td>SHIPPING CHARGE</td><td style="text-align: right;">\$29.63</td></tr><tr><td>SALES TAX</td><td style="text-align: right;">\$0.00</td></tr><tr><td>ORDER TOTAL</td><td style="text-align: right;">\$421.63</td></tr><tr><td>TOTAL DUE</td><td style="text-align: right;">\$421.63</td></tr></table> | | SUBTOTAL | \$392.00 | SHIPPING CHARGE | \$29.63 | SALES TAX | \$0.00 | ORDER TOTAL | \$421.63 | TOTAL DUE | \$421.63 |
| SUBTOTAL | \$392.00 | | | | | | | | | | | | |
| SHIPPING CHARGE | \$29.63 | | | | | | | | | | | | |
| SALES TAX | \$0.00 | | | | | | | | | | | | |
| ORDER TOTAL | \$421.63 | | | | | | | | | | | | |
| TOTAL DUE | \$421.63 | | | | | | | | | | | | |

Report on Special Investigation of the
Monona County Engineer's Office

Copies of Invoices from QOPS

08/11/2005 07:48 8189948030 Q O P S PAGE 02

Q.O.P.S.

QUALITY OFFICE &
PRINTING SUPPLY INC.
P.O. Box 10429, Van Nuys, CA 91410
(818) 994-6030 • (800) 990-9540 • FAX: (818) 994-8030

Invoice 10039
(712)433-2284

Bill To: COUNTY ENGINEERING
P.O. BOX 236
ONAWA IA 51040

Ship To: COUNTY ENGINEERING
610 IOWA AVE.
ONAWA IA 51040

| | | |
|-------------------------|--------------|-------------------|
| CONTACT JOHN SINGLESTAD | TERMS 60 | ORDER DATE 6/1/08 |
| 9 | SHIP VIA UPS | SHIP DATE |
| | | PO NUMBER VBL |

| ID PRODUCT NAME | QUANTITY | CREDIT | LINE TOTAL |
|-----------------|----------|--------|------------|
| HP 78 CLR. | 1 UNIT | | \$238.00 |

PAID AUG 23 2005

WE ACCEPT VISA/MC/AMEX DISCOVER
DISCOUNT AVAILABLE WITH THESE SERVICES:
THANK YOU FOR YOUR BUSINESS:

5% DISCOUNT IF IT'S PAID WITHIN 15 DAYS
FROM THE RECEIPT OF INVOICE

| | |
|-----------------|----------|
| SUBTOTAL | \$238.00 |
| SHIPPING CHARGE | \$29.83 |
| SALES TAX | \$0.00 |
| ORDER TOTAL | \$265.83 |
| TOTAL DUE | \$265.83 |

Report on Special Investigation of the
Monona County Engineer's Office

Copies of Invoices from QOPS

| Q.O.P.S. | | | | | | | | | | | | | | | |
|--|--------------|-----------------------------|------------|-------------------------|----------|--------------------|------------|----------------|----------------------|--|----------|-----------------|------------|--|----------|
| QUALITY OFFICE & PRINTING SUPPLY INC. | | Invoice 11007 | | | | | | | | | | | | | |
| P.O. Box 10429, Van Nuys, CA 91410 | | (712)433-2284 | | | | | | | | | | | | | |
| (818) 994-6030 • (800) 990-9540 • FAX: (818) 994-8030 | | | | | | | | | | | | | | | |
| Bill To: COUNTY ENGINEERING | | Ship To: COUNTY ENGINEERING | | | | | | | | | | | | | |
| P.O. BOX 236 | | 610 IOWA AVE | | | | | | | | | | | | | |
| ONAWA IA 51040 | | ONAWA IA 51040 | | | | | | | | | | | | | |
| <table border="0" style="width: 100%;"><tr><td style="width: 40%;">CONTACT JOHN SINGLESTAD</td><td style="width: 10%;">TERMS 30</td><td style="width: 50%;">ORDER DATE 8/31/05</td></tr><tr><td style="text-align: center;">9</td><td>SHIP VIA UPS</td><td>SHIP DATE SEP 8 2005</td></tr><tr><td></td><td></td><td>PO NUMBER VBL</td></tr></table> | | | | CONTACT JOHN SINGLESTAD | TERMS 30 | ORDER DATE 8/31/05 | 9 | SHIP VIA UPS | SHIP DATE SEP 8 2005 | | | PO NUMBER VBL | | | |
| CONTACT JOHN SINGLESTAD | TERMS 30 | ORDER DATE 8/31/05 | | | | | | | | | | | | | |
| 9 | SHIP VIA UPS | SHIP DATE SEP 8 2005 | | | | | | | | | | | | | |
| | | PO NUMBER VBL | | | | | | | | | | | | | |
| <table border="0" style="width: 100%;"><thead><tr><th style="text-align: left;">ID PRODUCT NAME</th><th style="text-align: left;">QUANTITY</th><th style="text-align: left;">CREDIT</th><th style="text-align: left;">LINE TOTAL</th></tr></thead><tbody><tr><td>HP 45(C-51845)</td><td>3 1/2 UNIT</td><td></td><td>\$588.00</td></tr><tr><td>HP 78D(C-8578D)</td><td>1 1/2 UNIT</td><td></td><td>\$414.00</td></tr></tbody></table> | | | | ID PRODUCT NAME | QUANTITY | CREDIT | LINE TOTAL | HP 45(C-51845) | 3 1/2 UNIT | | \$588.00 | HP 78D(C-8578D) | 1 1/2 UNIT | | \$414.00 |
| ID PRODUCT NAME | QUANTITY | CREDIT | LINE TOTAL | | | | | | | | | | | | |
| HP 45(C-51845) | 3 1/2 UNIT | | \$588.00 | | | | | | | | | | | | |
| HP 78D(C-8578D) | 1 1/2 UNIT | | \$414.00 | | | | | | | | | | | | |
| PAID OCT 26 2005 | | | | | | | | | | | | | | | |
| <p>WE ACCEPT VISA/MC/AMEX DISCOVER DISCOUNT AVAILABLE WITH THESE SERVICES: THANK YOU FOR YOUR BUSINESS.</p> <p>5% DISCOUNT IF IT'S PAID WITHIN 15 DAYS FROM THE RECEIPT OF INVOICE</p> | | SUBTOTAL | \$1002.00 | | | | | | | | | | | | |
| | | SHIPPING CHARGE | \$88.02 | | | | | | | | | | | | |
| | | SALES TAX | \$0.00 | | | | | | | | | | | | |
| | | ORDER TOTAL | \$1090.02 | | | | | | | | | | | | |
| | | TOTAL DUE | \$1090.02 | | | | | | | | | | | | |

Report on Special Investigation of the
Monona County Engineer's Office

Copies of Invoices from QOPS

Q.O.P.S.
QUALITY OFFICE &
PRINTING SUPPLY INC.
P.O. Box 10429, Van Nuys, CA 91410
(818) 994-8030 • (800) 990-9540 • FAX: (818) 994-8030

Invoice 11778
(712)433-2264

Bill To: COUNTY ENGINEERING
P.O. BOX 238
ONAWA IA 51040

Ship To: COUNTY ENGINEERING
810 IOWA AVE.
ONAWA IA 51040

| | | |
|------------------------------|--------------------------|---|
| CONTACT JOHN SINGLESTAD 9 | TERMS 30 SHIP VIA UPS | ORDER DATE 11/11/05 SHIP DATE NOV 14 2005 PO NUMBER VBL |
|------------------------------|--------------------------|---|

| ID PRODUCT NAME | QUANTITY | CREDIT | LINE TOTAL |
|--------------------------|------------|--------|------------|
| HP 45A BLK INK JET-1845A | 3 1/2 UNIT | | \$708.00 |
| HP 78A(C-85780) | 2 1/2 UNIT | | \$414.00 |

PAID DEC 27 2005

WE ACCEPT VISA/MC/AMEX DISCOVER
DISCOUNT AVAILABLE WITH THESE SERVICES:
THANK YOU FOR YOUR BUSINESS.
5% DISCOUNT IF IT'S PAID WITHIN 15 DAYS
FROM THE RECEIPT OF INVOICE

| | |
|-----------------|-----------|
| SUBTOTAL | \$1122.00 |
| SHIPPING CHARGE | \$90.13 |
| SALES TAX | \$0.00 |
| ORDER TOTAL | \$1212.13 |
| TOTAL DUE | \$1212.13 |

Appendix 2

Report on Special Investigation of the Monona County Engineer's Office

Copies of Invoices from MIS

Master Image Supply
PO Box 551
Canoga Park, CA. 91305

14481
(712)433-2284

COUNTY ENGINEERING
P.O. BOX 236
ONAWA IA 51040

COUNTY ENGINEERING
610 IOWA AVE.
ONAWA IA 51040

CONTACT JOHN SINGLESTAD
19/9

TERMS 30
SHIP VIA UPS

ORDER DATE 5/31/06
SHIP DATE
PO NUMBER VRL

| ID PRODUCT NAME | QUANTITY | CREDIT | LINE TOTAL |
|-----------------|----------|--------|------------|
| HP 45A | 1 UNIT | | \$1248.00 |

| | |
|-----------------|-----------|
| SUBTOTAL | \$1248.00 |
| SHIPPING CHARGE | \$90.13 |
| SALES TAX | \$0.00 |
| ORDER TOTAL | \$1338.13 |
| TOTAL DUE | \$1338.13 |

Report on Special Investigation of the
Monona County Engineer's Office

Copies of Invoices from MIS

| | | | |
|--|--|--|--|
| M.I.S. Master Image Supply, Inc. P.O. BOX 551 CANOGA PARK, CA 91305 (818) 888-5859 • (800) 443-0449 • FAX: (818) 888-5969 | | Invoice 16794 (712) 433-2284 | |
| Bill To: COUNTY ENGINEERING P.O. BOX 236 ONAWA IA 51040 | | Ship To: COUNTY ENGINEERING 610 IOWA AVE. ONAWA IA 51040 | |

| | | |
|-------------------------|--------------|-----------------------|
| CONTACT JOHN SINGLESTAD | TERMS 30 | ORDER DATE 10/9/08 |
| | SHIP VIA UPS | SHIP DATE OCT 09 2006 |
| 9 | | PO NUMBER VBL |

| ID PRODUCT NAME | QUANTITY | CREDIT | LINE TOTAL |
|---------------------|----------|--------|------------|
| HP 45A BLK. INK JET | 1/2 UNIT | | \$2496.00 |

FINAL & COMPLETE 2006

| | | |
|--|-----------------|-----------|
| | SUBTOTAL | \$2496.00 |
| | SHIPPING CHARGE | \$150.31 |
| | SALES TAX | \$0.00 |
| | ORDER TOTAL | \$2646.31 |
| | TOTAL DUE | \$2646.31 |

WE ACCEPT VISA/MC/AMEX DISCOVER
 DISCOUNT AVAILABLE WITH THESE SERVICES:
 THANK YOU FOR YOUR BUSINESS.
5% DISCOUNT IF IT'S PAID WITHIN 15 DAYS
 FROM THE RECEIPT OF INVOICE

Report on Special Investigation of the
Monona County Engineer's Office

Copies of Invoices from MIS

M.I.S.
Master Image Supply, Inc.
P.O. BOX 551 CANOGA PARK, CA 91305
(818) 888-5859 • (800) 443-0449 • FAX: (818) 888-5969

Invoice 18795
(712)433-2284

Bill To: COUNTY ENGINEERING
P.O. BOX 236
ONAWA IA 51040

Ship To: COUNTY ENGINEERING
610 IOWA AVE
ONAWA IA 51040

| | | |
|-------------------------|--------------|---------------------|
| CONTACT JOHN SINGLESTAD | TERMS 45 | ORDER DATE 10/18/06 |
| | | SHIP DATE 1 6 2006 |
| | SHIP VIA UPS | PO NUMBER VBL |

| ID PRODUCT NAME | QUANTITY | CREDIT | LINE TOTAL |
|-----------------|----------|--------|------------|
| HP 78A INK JET | 1/2 UNIT | | \$2499.60 |

FINAL & COMPLETE 2006

ccm

| | | |
|--|-----------------|-----------|
| | SUBTOTAL | \$2499.60 |
| | SHIPPING CHARGE | \$150.31 |
| | SALES TAX | \$0.00 |
| | ORDER TOTAL | \$2649.91 |
| | TOTAL DUE | \$2649.91 |

WE ACCEPT VISA/MC/AMEX DISCOVER
DISCOUNT AVAILABLE WITH THESE SERVICES:
THANK YOU FOR YOUR BUSINESS:
5% DISCOUNT IF IT'S PAID WITHIN 15 DAYS
FROM THE RECEIPT OF INVOICE

Report on Special Investigation of the
Monona County Engineer's Office

Copies of Invoices from MIS

M.I.S.
Master Image Supply, Inc.
P.O. BOX 551 CANOGA PARK, CA 91305
(818) 888-5859 • (800) 443-0449 • FAX: (818) 888-5969

Invoice 16798
(712)433-2284

Bill To: COUNTY ENGINEERING
P.O. BOX 236
ONAWA IA 51040

Ship To: COUNTY ENGINEERING
610 IOWA AVE.
ONAWA IA 51040

| | | |
|--------------------------------|---------------------|------------------------------|
| CONTACT JOHN SINGLESTAD | TERMS 60 | ORDER DATE 10/23/08 |
| 9 | SHIP VIA UPS | SHIP DATE OCT 23 2008 |
| | | PO NUMBER VBL |

| ID PRODUCT NAME | QUANTITY | CREDIT | LINE TOTAL |
|-----------------|----------|--------|------------|
| HP 78A CLR. | 1/2 UNIT | | \$2499.00 |

FINAL & COMPLETE 2006

CCF

| | |
|------------------------|-----------|
| SUBTOTAL | \$2499.00 |
| SHIPPING CHARGE | \$150.31 |
| SALES TAX | \$0.00 |
| ORDER TOTAL | \$2649.31 |
| TOTAL DUE | \$2649.31 |

WE ACCEPT VISA/MC/AMEX DISCOVER
DISCOUNT AVAILABLE WITH THESE SERVICES:
THANK YOU FOR YOUR BUSINESS.

5% DISCOUNT IF IT'S PAID WITHIN 15 DAYS
FROM THE RECEIPT OF INVOICE

Report on Special Investigation of the
Monona County Engineer's Office

Copies of Invoices from MIS

M.I.S.
Master Image Supply, Inc.
P.O. BOX 551 CANOGA PARK, CA 91305
(818) 888-5859 • (800) 443-0449 • FAX: (818) 888-5969

Invoice 16797
(712)433-2284

Bill To: COUNTY ENGINEERING
P.O. BOX 236
ONAWA IA 51040

Ship To: COUNTY ENGINEERING
810 IOWA AVE.
ONAWA IA 51040

| | | |
|-------------------------|--------------|-----------------------|
| CONTACT JOHN SINGLESTAD | TERMS 80 | ORDER DATE 10/30/06 |
| | | SHIP DATE OCT 30 2006 |
| | SHIP VIA UPS | PO NUMBER YBL |

| ID PRODUCT NAME | QUANTITY | CREDIT | LINE TOTAL |
|---------------------|----------|--------|------------|
| HP 45A BLK. INK JET | 1/2 UNIT | | \$2496.00 |

FINAL & COMPLETE 2006

COPY

| | | |
|--|-----------------|-----------|
| | SUBTOTAL | \$2496.00 |
| | SHIPPING CHARGE | \$150.31 |
| | SALES TAX | \$0.00 |
| | ORDER TOTAL | \$2646.31 |
| | TOTAL DUE | \$2646.31 |

WE ACCEPT VISA/MC/AMEX DISCOVER
DISCOUNT AVAILABLE WITH THESE SERVICES:
THANK YOU FOR YOUR BUSINESS.

5% DISCOUNT IF IT'S PAID WITHIN 15 DAYS
FROM THE RECEIPT OF INVOICE

Report on Special Investigation of the
Monona County Engineer's Office

Copies of Invoices from MIS

M.I.S.
Master Image Supply, Inc.
P.O. BOX 551 CANOGA PARK, CA 91305
(818) 888-5859 • (800) 443-0449 • FAX: (818) 888-5969

Invoice 16798
(712) 433-2284

Bill To: COUNTY ENGINEERING
P.O. BOX 236
ONAWA IA 51040

Ship To: COUNTY ENGINEERING
610 IOWA AVE.
ONAWA IA 51040

| | | |
|-------------------------|--------------|--------------------|
| CONTACT JOHN SINGLESTAD | TERMS 90 | ORDER DATE 11/8/06 |
| 9 | SHIP VIA UPS | SHIP DATE 03 2006 |
| | | PO NUMBER VBL |

| ID PRODUCT NAME | QUANTITY | CREDIT | LINE TOTAL |
|-----------------|----------|--------|------------|
| HP 45A INK JET | 1/2 UNIT | | \$2496.00 |

FINAL & COMPLETE 2008

CONF

| | |
|-----------------|-----------|
| SUBTOTAL | \$2496.00 |
| SHIPPING CHARGE | \$150.31 |
| SALES TAX | \$0.00 |
| ORDER TOTAL | \$2646.31 |
| TOTAL DUE | \$2646.31 |

WE ACCEPT VISA/MC/AMEX DISCOVER
DISCOUNT AVAILABLE WITH THESE SERVICES:
THANK YOU FOR YOUR BUSINESS:

5% DISCOUNT IF IT'S PAID WITHIN 15 DAYS
FROM THE RECEIPT OF INVOICE

**Report on Special Investigation of the
Monona County Engineer's Office**

Report on Special Investigation of the
Monona County Engineer's Office

Memo from the County Engineer

MEMO
from the
COUNTY ENGINEER

FILED

FEB 28 2007

BENITA J. DAVIS
MONONA CO. AUDITOR

February 28, 2007

TO: Board of Supervisors
FROM: Jon Singelstad
SUBJECT: Claim Payment

The Claim to Master Image Supply, Inc. of Canoga Park, CA is for a 2-year supply of ink for our computer printers.

The unit costs are:

| | |
|-------------------------------------|--------------------|
| Black - 240 cartridges @ \$31.20/ea | = \$7,488.00 |
| Color - 240 cartridges @ \$20.83/ea | = \$4,998.60 |
| Shipping | = \$ 751.55 |
| | <u>\$13,238.15</u> |

The same quantity bought locally would be:

| | |
|-------------------------------------|---------------------|
| Black - 240 cartridges @ \$29.99/ea | = \$7,197.60 |
| Color - 240 cartridges @ \$34.99/ea | = <u>\$8,397.60</u> |
| | \$23,992.80 |


This is a savings of \$10,754.65 to the Secondary Road Department for items that we will need in the next two years. I consider this a savings to the taxpayers of Monona County.


Please consider approving this claim as we have received these cartridges and have already used several of them, therefore the company will not honor a return.

Jon Singelstad
County Engineer

Report on Special Investigation of the
Monona County Engineer's Office

Copies of Postal Money Orders Deposited to the County Engineer's Personal Bank Account

| UNITED STATES POSTAL SERVICE | | POSTAL MONEY ORDER | | 15-800 000 |
|---|---------------------------------------|--|---|---------------|
| SERIAL NUMBER 09423368144 | YEAR, MONTH, DAY 2006-06-02 | POST OFFICE 913030 | U.S. DOLLARS AND CENTS 250.00 | |
| AMOUNT: TWO HUNDRED FIFTY DOLLARS & 00¢ ***** | | | | |
| PAY TO | | NEGOTIABLE ONLY IN THE U.S. AND POSSESSIONS SEE REVERSE WARNING | | |
| ADDRESS | | FROM | CLERK 0002 | |
| C.O.D. NO. OR USED FOR | | ADDRESS | | |
|  | | 09423368144 000000250000 | | |

| | | |
|---|------------|----------|
|  | 9423368144 | \$250.00 |
|---|------------|----------|

| |
|--|
| <p>MAXIMUM VALUE ONE THOUSAND DOLLARS</p> <p><i>Jon Ameglio</i></p> <p>1040120704</p> <p>60702700</p> <p>NEGOTIABLE ONLY IN THE U.S. AND POSSESSIONS</p> |
|--|

Report on Special Investigation of the
Monona County Engineer's Office

Copies of Postal Money Orders Deposited to the County Engineer's Personal Bank Account

| UNITED STATES POSTAL SERVICE | | POSTAL MONEY ORDER | | 15-800 000 |
|--|--|--------------------|------------------------|---------------|
| SERIAL NUMBER | YEAR, MONTH, DAY | POST OFFICE | U.S. DOLLARS AND CENTS | |
| 10832176877 | 2007-01-09 | 913030 | \$1000.00 | |
| AMOUNT: ONE THOUSAND DOLLARS & 00¢ ***** | | | | |
| PAY TO | NEGOTIABLE ONLY IN THE U.S. AND POSSESSIONS SEE REVERSE WARNING | | CLERK 0005 | |
| ADDRESS | FROM | ADDRESS | | |
| ONAWA, IA 51040 | | | | |
| C.O.D. NO. OR USED FOR | | | | |
| 10832176877 | | | | |

10832176877

\$1000.00

| | |
|---|--|
| <p>WARNING CASHIER REQUIRE POSITIVE IDENTIFICATION HOLD TO LIGHT AND CHECK FOR BENJAMIN FRANKLIN WATERMARK AND 41 CENTS 14413 NEGOTIABLE ONLY IN THE U.S. AND POSSESSIONS</p> | <p>MAXIMUM VALUE ONE THOUSAND DOLLARS</p> <p><i>Jon Singelstad</i> ENDORSEMENT SIGNATURE</p> |
|---|--|