

**CARROLLTON EXEMPTED VILLAGE SCHOOL DISTRICT
CARROLL COUNTY**

SPECIAL AUDIT REPORT

FOR THE PERIOD JULY 1, 1995 - FEBRUARY 28, 1999

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**SCHEDULE OF ELECTED OFFICIALS
AND ADMINISTRATIVE PERSONNEL
AS OF FEBRUARY 28, 1999**

ELECTED OFFICIALS	TITLE	TERM OF OFFICE	SURETY	AMOUNT	PERIOD
<u>Board of Education</u>					
Thomas A. Puch	Board President	01/01/96 - 12/31/99	(A)	\$20,000	(B)
Mark E. Lamielle	Board Member	01/01/96 - 12/31/99	None		
Gregory A. Miller	Board Member	01/01/96 - 12/31/99	None		
Thomas L. Haugh	Board Member	01/01/98 - 12/31/01	None		
Donald S. Warner	Board Member	01/01/98 - 12/31/01	None		
ADMINISTRATIVE PERSONNEL	TITLE	CONTRACT TERM	SURETY	AMOUNT	PERIOD
Michael R. Maiorca	Superintendent	01/1/98 - 08/31/01	(A)	\$20,000	(B)
David L. Lyon	Assistant Superintendent	01/1/98 - 08/31/00	None		
Roxanne S. Mazur	Treasurer	Organizational Meeting January 1997 To Organizational Meeting January 2001	(A)	\$20,000	(C)

STATUTORY LEGAL COUNSEL

John T. Smiley
Prosecuting Attorney of Carroll County
49 Public Square
Carrollton, Ohio 44615

(A) Ohio Farmers Insurance Company
(B) 01/12/99-01/11/00
(C) 01/10/97-01/10/01

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STATE OF OHIO
OFFICE OF THE AUDITOR
JIM PETRO, AUDITOR OF STATE

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REPORT OF INDEPENDENT ACCOUNTANTS

Board of Education
Carrollton Exempted Village School District
252 Third Street NE
Carrollton, Ohio 44615

Pursuant to our Letter of Arrangements dated May 25, 1999, we have conducted a Special Audit and performed the procedures summarized below, and detailed in our "Supplement to the Special Audit Report", which were agreed to by you, for the period July 1, 1995 through February 28, 1999 (the Period). These procedures were performed solely to determine if disbursements from the Carrollton Exempted Village School District's Transportation, and Buildings and Grounds Departments were for a proper public purpose and complied with State and Local requirements. This engagement to apply agreed-upon procedures was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the specified users of this report. Consequently, we make no representations regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested, or for any other purpose. The procedures we performed are summarized as follows:

1. We reviewed regular and blanket purchase orders for the Transportation Department for the period July 1, 1996 through February 28, 1999, to determine if items ordered represent reasonable expenditures of Carrollton Exempted Village School District (the District) monies, and we completed a physical inspection of the asset inventory to determine if the assets were still in the possession of the District.
2. We reviewed regular and blanket purchase orders for the Building and Grounds Department for the period of July 1, 1996 through February 28, 1999 that were greater than \$500 and completed a physical inspection of the asset inventory to determine if the assets were still in the possession of the District.
3. We reviewed regular and blanket purchase orders for the period July 1, 1995 through June 30, 1997, as they relate to the Augusta Septic Project and the Carrollton Elementary Retainer Wall Project, to determine that materials purchased were used at the work sites. We reviewed the related payments to vendors to determine whether expenditures were made in compliance with applicable authority and/or District policy and were for a proper public purpose.
4. We reviewed procedures utilized to accept voluntary contributions from employees to purchase a gift for an employee in the Transportation Department to determine if funds collected were used for the intended purpose.
5. We reviewed District records regarding gasoline used by the former Transportation Director for the period September 1998 through February 1999 to determine if the former Director used more than the allotted 15 gallons per week permitted in her job description.

6. We reviewed documentation provided by the District and the Carroll County Sheriff's Department to determine if automobile repair services was performed on the former Director's vehicle at the District's expense.
7. On December 23, 1999, we held an Exit Conference with the following Officials and Administrative Personnel:

Thomas A. Puch, Board President, Carrollton Exempted Village School District
Donald S. Warner, Board Member, Carrollton Exempted Village School District
Michael R. Maiorca, Superintendent, Carrollton Exempted Village School District
David L. Lyon, Assistant Superintendent, Carrollton Exempted Village School District
Roxanne S. Mazur, Treasurer, Carrollton Exempted Village School District
Ralph Lucas, Sheriff, Carroll County
Robert Wirkner, Chief Deputy, Carroll County Sheriff

The attendees were given five days to respond to this Special Audit. No responses were received from these individuals. We did receive a response from Robert E. Kerper, Jr., Attorney at Law, on behalf of Ms. Connie Weir. According to that response, Ms. Weir has chosen to exercise her right under the Fifth Amendment due to pending criminal charges relating to the circumstances which gave rise to our Finding for Recovery.

Our detailed procedures and the results of applying these procedures are contained in the attached "Supplement to the Special Audit Report". Because these procedures do not constitute an examination conducted in accordance with generally accepted auditing standards, we do not express an opinion on the District's internal control system over financial reporting or any part thereof. Had we performed additional procedures, or had we conducted an examination of the financial statements in accordance with generally accepted auditing standards, other matters might have come to our attention that would have been reported to you.

This report relates only to transactions relating to the above procedures, and does not extend to any financial statements of the District, taken as a whole.

This report is intended for the use of the specified users listed above and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Reports by the Auditor of State are a matter of public record and use by other components of state government or local government officials is not limited.

JIM PETRO
Auditor of State of Ohio

SUPPLEMENT TO THE SPECIAL AUDIT REPORT

BACKGROUND INFORMATION

A complaint was filed in the Carroll County Court by a Lieutenant in the Carroll County Sheriff's Department on February 9, 1999 against the Transportation Director, Ms. Connie R. Weir (the Director) of the Carrollton Exempted Village School District (the District). The complaint charges the Director with two counts of theft in office, a felony of the fourth degree and contrary to Ohio Revised Code Section 2921.41 (A)(2). The items in question were two Reading tool boxes and a set of twin trumpet chrome electric air horns. Individually, none of the items met the District's capitalization threshold of \$500 for fixed assets.

Other allegations included in the complaint consist of (1) the Director steered excavating work to a company owned by her boyfriend; (2) the Director collected money from employees for a gift for another employee, but kept the money and charged the gift to the District; (3) the Director abused a privilege granted by the District for use of a fixed amount of gasoline per week; (4) the Director abused a privilege granted by the District for automobile repair service; and (5) the Director used two District owned alternators for private use without compensating the District.

A meeting was held on February 9, 1999 at the District with Chief Deputy Bob Wirkner; Detective Chuck Kopp; District Superintendent Michael Maiorca; Assistant Superintendent David Lyon; and Transportation Department Director Connie Weir. Connie Weir signed a consent form for a voluntary search of her property and buildings. The inventory of articles taken in the search on February 9, 1999 included two black Reading tool boxes and one set of chrome electric air horns which are in the custody of the Carroll County Sheriff's Department as evidence. Charges were filed against Connie R. Weir since she admitted to theft of school funds and/or property in the aforementioned meeting.

Effective February 9, 1999, the Superintendent placed Connie Weir on a leave of absence with pay as a result of her admission of theft of school funds and/or property, all pending further investigation.

A request dated February 10, 1999 was received by the Auditor of State's Office from the Treasurer of the District to perform a special audit of the District's Transportation Department and the Building and Grounds Department for the period July 1, 1995 through February 28, 1999.

Effective March 1, 1999, the Superintendent suspended Connie R. Weir, without pay, pending termination. The Board of Education terminated Connie R. Weir's administrator contract effective May 12, 1999 at their May 11, 1999 board meeting.

A ten count indictment was filed in the Carroll County Court of Common Pleas against Connie R. Weir under case number 3970. An additional seven count indictment was filed in the Carroll County Court of Common Pleas against Connie R. Weir under case number 4012.

SUPPLEMENT TO THE SPECIAL AUDIT REPORT

SUMMARY OF RESULTS

ISSUE 1 - TRANSPORTATION DEPARTMENT

We reviewed regular and blanket purchase orders for the Transportation Department for the period July 1, 1996 through February 28, 1999, to determine if items ordered represented reasonable expenditures of District monies, and we completed a physical inspection of the asset inventory to determine if the assets were still in the possession of the District.

PROCEDURES

We identified and reviewed 100% of blanket and regular purchase orders for the Transportation Department for the period July 1, 1996 through February 28, 1999. We reviewed the vouchers, invoices and other supporting documentation and discussed the purchases with the bus garage employees to determine if the items purchased represented expenditures related to operations of the District. We spoke to Chief Deputy Bob Wirkner of the Carroll County Sheriff's Department concerning the indictments against Connie R. Weir. We investigated the purchase of two alternators used by Connie R. Weir and whether two radios given to Connie R. Weir as Transportation Director were returned to the District. We also performed a physical inspection of the Transportation Department's inventory.

RESULTS

On December 15, 1998, Connie Weir approved invoice #236848 dated November 4, 1998, from Myers Equipment Corporation for the purchase of two black Reading tool boxes valued at \$811. The School District paid this invoice, along with two unrelated invoices, with warrant #26157 issued for \$982 on December 18, 1998.

On November 12, 1998, invoice #2265788 was prepared by Midvale Truck Sales and Service, Inc. for a set of chrome electric air horns valued at \$132. The School District paid this invoice, along with seven unrelated invoices, with warrant #26197 issued for \$1,157 on December 18, 1998.

On February 9, 1999, Connie R. Weir signed a consent to search form, thereby allowing the Carroll County Sheriff's Department to search her premises. Both the tool boxes and air horns were found installed on a personally owned, restored fire truck, at Connie R. Weir's personal residence during the search conducted by the Carroll County Sheriff's Department on February 9, 1999. During the search, David L. Lyons, Assistant Superintendent, was present as a witness. These items are in the custody of the Sheriff's Department.

Chief Deputy Bob Wirkner gave us a copy of a signed statement from Joseph M. Russell, bus mechanic, concerning two alternators. After inquiry and investigation, a refurbished Delco alternator and a Leece Neville alternator were taken from the bus garage for Connie R. Weir's boyfriend's personal use. According to the mechanic's statement, the Delco alternator was returned to the bus garage but it did not work properly, and the Leece Neville alternator was never returned to the bus garage to his knowledge. Also, in speaking with Michael R. Maiorca, District Superintendent, he stated the refurbished Delco alternator worked before it left the garage, but no longer worked after it was returned.

SUPPLEMENT TO THE SPECIAL AUDIT REPORT

We spoke with Mr. Russell on August 19, 1999. He stated the Delco alternator was removed from a bus after becoming faulty, and sent to Carrollton Truck Electric for repair sometime prior to August 1998. We reviewed all fiscal year 1998 transactions with Carrollton Truck Electric. We obtained a copy of invoice #1104 from Carrollton Truck Electric dated April 20, 1998. This is the only invoice we reviewed that reflects charges for a Delco alternator. The cost documented on this invoice is \$165, and was paid on April 24, 1998, along with five other items, with warrant #24201 issued for \$593 .

Mr. Russell also documented in his written statement that he was called at home by Connie R. Weir on or about the Algonquin Mill Festival which takes place on the second weekend in October, and asked if he had any alternators on the shelf at the bus garage. Mr. Russell also suggested that he would meet Ms. Weir and give her the alternators. Since the Leece Neville alternator was purchased from Northern Mobile Electric on September 17, 1998 at a cost of \$270, it was determined that this was the alternator used for personal purposes by Ms. Weir. The invoice #95078 was subsequently paid by the District on October 14, 1998 with warrant #25656. The next purchase of an alternator from Northern Mobile Electric was not until October 21, 1998.

Mr. Wayne Baughman, a mechanic at the bus garage, informed us during the physical inspection of inventory that Connie R. Weir was given a portable handheld radio and a stationary radio by the District while she was the Transportation Director. The mechanic was uncertain whether the radio equipment was returned to the District. Superintendent Maiorca sent a certified letter dated July 29, 1999 to Connie R. Weir, requesting that she contact Marilyn Wells at the bus garage no later than August 5, 1999, so that arrangements could be made to pick up the equipment. On August 5, 1999, Ms. Weir called Ms. Wells with the name and phone number of her attorney, and directed Ms. Wells to contact him regarding the radio equipment. On August 11, 1999, Donald R. Burns, Jr., Assistant Carroll County Prosecuting Attorney, sent a letter to Robert E. Kerper, Jr., attorney for Connie R. Weir, requesting the return of the equipment with the representation that in the event the equipment was returned immediately, no further action would be taken by the Prosecutor's office. A portable radio, radio with base, and antenna was returned to the Transportation Department as of August 31, 1999 according to Dean Ott, the current Transportation Director.

FINDINGS FOR RECOVERY

Tool Boxes and Set of Air Horns

During the period July 1, 1996 through February 28, 1999, Connie R. Weir purchased two Reading Space-maker Tool Mates tool boxes which cost \$811 and a set of chrome electric air horns at a cost of \$132 using District monies. These items were then removed from the District and found on Connie R. Weir's property by the Carroll County Sheriff's Department during a search of the premises on February 9, 1999. The search was conducted with Connie R. Weir's approval.

In accordance with the foregoing facts, and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public property converted or misappropriated is hereby issued against Connie R. Weir, in favor of the General Fund of the Carrollton Exempted Village School District in the amount of \$943.

SUPPLEMENT TO THE SPECIAL AUDIT REPORT

Alternators

On or about the second week of October 1998, Connie Weir took possession of two alternators belonging to the District. One alternator was a refurbished Delco that originally came into the District as part of a new bus and was later refurbished. The cost paid by the District to refurbish this alternator was \$165. The second alternator was a refurbished Leece Neville that was purchased by the District at a cost of \$270. According to a written statement from a bus mechanic, the Delco alternator was returned to the shelf at the District Bus Garage by Ms. Weir, but was inoperable, and the Leece Neville alternator was not returned to the District.

In accordance with the foregoing facts, and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public property converted or misappropriated is hereby issued against Connie R. Weir and in favor of the General Fund of the Carrollton Exempted Village School District in the amount of \$435.

MANAGEMENT COMMENTS

Inventory Control and Safeguarding of Assets

The Transportation Department did have an inventory and fixed asset list; however, it was not updated on a timely basis or complete. Inventory and assets were converted or misappropriated to personal use by the former Transportation Director of the District.

The inventory and fixed asset list should be complete and updated on a perpetual basis throughout the year. The list should be reviewed by an independent District employee on a periodic basis to help ensure that all items listed are in the possession of the District.

Proper Classification of Disbursements

Inventory assets of the Transportation Department were purchased on a blanket purchase order as supplies instead of assets; therefore, they were not placed on the inventory asset list of the District. To help improve the internal controls over inventory and assets, the District should charge the correct fund, function, and object code when classifying disbursements.

ISSUE 2 - BUILDING AND GROUNDS DEPARTMENT

We reviewed regular and blanket purchase orders of the Buildings and Grounds Department for the period of July 1, 1996 through February 28, 1999 that were greater than \$500, and completed a physical inspection of the asset inventory to determine if the assets were still in the possession of the District.

PROCEDURES

We identified and reviewed 100% of the Buildings and Grounds Department's regular and blanket purchase orders greater than \$500 for the period July 1, 1996 through February 28, 1999. We reviewed the vouchers, invoices and other supporting documentation. A physical inspection of the asset inventory of the Buildings and Grounds Department was performed on thirty-one assets purchased by the District to ensure that each asset was still in inventory.

SUPPLEMENT TO THE SPECIAL AUDIT REPORT

RESULTS

The disbursements tested in the Buildings and Grounds Department represented reasonable expenditures of the District. The items tested against the fixed asset inventory listing were on hand in the Buildings and Grounds Department.

ISSUE 3 - AUGUSTA SEPTIC PROJECT AND CARROLLTON ELEMENTARY RETAINER WALL PROJECT

We reviewed regular and blanket purchase orders for the period July 1, 1995 through June 30, 1997, as they relate to the Augusta Septic Project and the Carrollton Elementary Retainer Wall Project, to determine that materials purchased were used at the work sites. We reviewed the related payments to vendors to determine whether expenditures were made in compliance with applicable authority and/or District policy, and were made for a proper public purpose.

PROCEDURES

The minute records were reviewed for approval of the contracts by the Board of Education, and to determine if proper bidding procedures were followed. Expenditures were scheduled for each individual project with labor expenditures and materials expenditures being scheduled separately. Invoices were also examined to ensure that expenditures were properly supported by underlying documentation.

RESULTS

The Augusta Septic Project and the Carrollton Elementary Retainer Wall Project were not approved in the minutes by the Board of Education. The Augusta Septic Project should have been competitively bid in accordance with Ohio Rev. Code Section 3313.46. The District could not provide any evidence that this project was bid. The Carrollton Elementary Retainer Wall Project did not meet the required amount for competitive bidding; however, no quotes were located at the District. The total cost of the Carrollton Elementary Retainer Wall Project amounted to \$21,410. This is comprised of \$10,904 of labor, and \$10,506 of materials.

CITATIONS

1. Ohio Rev. Code Section 3313.46 states that when a Board of Education determines to build, repair, enlarge, improve or demolish any school building with a cost in excess of \$25,000, the Board is required to:
 - Prepare plans and specifications. (Section 3313.46(A)(1)).
 - Advertise for bids once a week for four consecutive weeks in a newspaper of general circulation in the District not later than 15 days prior to the date specified by the Board for receiving bids. (Section 3313.46 (A)(2)).
 - Open the bids at the time and place specified by the Board in the advertisement for bids. (Section 3313.46 (A)(1)).
 - Award the contract is to the lowest responsible bidder. (Section 3313.46(A)(6)).

SUPPLEMENT TO THE SPECIAL AUDIT REPORT

- Enter into a contract that is between the Board and the bidders. The Board is required to approve and retain estimates and make them available to the Auditor of State upon request. (Section 3313.46(A)(7)).

The District did not follow the proper bidding requirements in regard to the Augusta Septic Project. Total project expenses totaled \$55,310. Of this amount, material expenses were \$21,179, and labor expenses were \$34,131. Materials in the amount of \$20,441 and \$738 were purchased from Lindsay Concrete and Twin Cities Concrete, respectively. Labor expenses were incurred by Hettler Engineering Services in the amount of \$3,916; Dick Trushel Excavating in the amount of \$24,300; Haynam Fencing in the amount of \$3,860; Slates Sanitary Service in the amount of \$555, and Tag Electric in the amount of \$1,500.

2. Ohio Rev. Code Section 153.13 states that from the date the contract is fifty percent complete, all funds retained pursuant to Sections 153.12 and 153.14 of the Revised Code for the faithful performance of work shall be deposited in the escrow account designed in section 153.63 of the Revised Code. After the contract is fifty percent complete, no further funds shall be retained. The money shall be deposited in a savings account or the escrow agent shall promptly invest all of the escrowed principal in obligations selected by the escrow agent as stipulated in the agreement. Funds in the escrow account not paid, with accumulated interest, shall be paid to the contractor thirty days from the date of completion or either acceptance or occupancy by the owner.

The District did not establish the required escrow account for the Augusta Septic Project.

MANAGEMENT COMMENTS

Public Officers - Ethics

Ohio Rev. Code Section 102.03, in-part, prohibits a public official from using his influence to secure anything of value that is such character to improperly influence him with respect to his duties. In addition, Ohio Rev. Code Section 2921.42, states in-part that a public official cannot have an unlawful interest in public contract. Based upon the facts below, it is possible that a violation of one of these sections may have occurred. This matter is being referred to the Carroll County Prosecuting Attorney for any action he may deem appropriate.

Ms. Connie R. Weir, former Transportation Director, awarded District projects to her boyfriend, Ed Trushel, with whom she also resides. Mr. Trushel received \$2,142 on August 27, 1996 for sidewalk work done as part of the Carrollton Elementary Retainer Wall Project. This was paid with a manually issued School District warrant #4143 signed by the District Treasurer. Also, while testing the expenditures of the Augusta Septic Tank and Carrollton Elementary Wall Projects, we found two separate projects awarded to Ed Trushel. Mr. Trushel was paid \$488 for labor to pour nine yards of cement for a bike pad, and he was paid \$1,995 to dig and haul away dirt, install drain, and to pour forty-eight yards of concrete at the bus garage. The total of these two projects were paid by District warrant #20357 issued on August 23, 1996 for \$2,483.

To further document a business relationship between Ms. Weir and Mr. Trushel, we obtained ten copies of checks issued to either Connie R. Weir, Ed Trushel, or Diamond T Fencing, a company owned by Connie Weir and Ed Trushel, along with deposit slips, from the Citizens Banking Company. From this information we found the following:

SUPPLEMENT TO THE SPECIAL AUDIT REPORT

- A. The Village of Carrollton issued warrant #13978 to Edward L. Trushel on August 23, 1996 for \$37. The District issued warrant #20357 on August 23, 1996 to Ed Trushel for \$2,483, and also issued payroll warrant #17100 on August 23, 1996 to Connie R. Weir for \$984. These three checks total \$3,504. Of this amount, \$1,100 was deposited in a Citizens Banking Company account in the name of Ed Trushel; \$1,800 was deposited in a Citizens Banking Company account in the names of Ed Trushel and Connie Weir; and \$604 was paid out in cash to Ed Trushel.
- B. The District issued manual warrant #4143 on August 27, 1996 to Ed Trushel for \$2,142. The Carroll County Bureau of Support issued warrant #146448 on August 27, 1996 to Connie Weir for \$500. These two checks total \$2,642. Of this amount, \$1,400 was deposited in a Citizens Banking Company account in the names of Ed Trushel and Connie Weir; \$1,042 was deposited in a Citizens Banking Company account in the name of Ed Trushel; and \$200 was paid out in cash to Ed Trushel.
- C. The District issued payroll warrant #37549 on February 19, 1999 to Connie R. Weir for \$1,021. BP Oil issued warrant #2484090 on February 12, 1999 to Connie R. Weir for \$69. These two checks total \$1,090. Of this amount, \$900 was deposited in a Citizens Banking Company account in the names of Ed Trushel and Connie Weir; and \$190 was paid out in cash to Ed Trushel.
- D. The District issued payroll warrant #37892 on March 5, 1999 to Connie R. Weir for \$1,021. Raymond and Marcia Belcher issued warrant #211 on March 4, 1999 to Diamond T Fencing in the amount of \$2,849. These two checks total \$3,870. Of this amount, \$1,521 was deposited in a Citizens Banking Company account in the names of Ed Trushel and Connie Weir; \$1,749 was deposited in a Citizens Banking Company account in the name of Diamond T Fencing, Ed Trushel and Connie Weir; and \$600 was paid out in cash to Ed Trushel. Furthermore, the payroll check issued to Connie R. Weir on March 5, 1999 contained the signatures of Connie Weir and Ed Trushel, and the account known as Diamond T Fencing was formerly the same account listing only Ed Trushel on the deposit tickets in 1996.
- E. The Carrollton Exempted Village School District issued payroll warrant #38226 on March 19, 1999 to Connie R. Weir for \$1,441. The total amount was deposited in a Citizens Banking Company account in the names of Ed Trushel and Connie Weir.

Maintenance of Contract Documents

The award of a contract requires various documents, including but not limited to, the bid specifications, bid proposals, recommendations of management, approval of the Board of Education, and the actual signed contract.

A file should be maintained for each project of the District containing the above information to help improve control over contract disbursements. This procedure will also help to ensure that competitive bidding requirements are followed, if required.

Project Quotes

No quotes were located at the District for the Carrollton Elementary Retaining Wall Project, the Bus Garage Drainage Project, or the Bike Pad Project. The District should obtain at least two quotes for all projects regardless of size to help ensure that the District is making prudent business decisions.

SUPPLEMENT TO THE SPECIAL AUDIT REPORT

The Board should also document in the minutes all quotes received for each project and which quote was accepted upon the recommendation of the Department Director and/or the Board.

Conflict of Interest/Related Party Transactions Policy

The District did not have a formal conflict of interest or related party transactions policy. This could result in the District officials and employees having unknown interests in District contracts or projects. The District should adopt the aforementioned policies to help ensure the District is making prudent business decisions, and to avoid possible conflicts of interest with employees and officials in District projects and contracts. Persons with buying or contracting authority should file a written statement with the District disclosing any business interests on a periodic basis.

ISSUE 4 - VOLUNTARY CONTRIBUTIONS FROM EMPLOYEES

We reviewed procedures utilized to accept voluntary contributions from employees to purchase a gift for another employee in the Transportation Department to determine if funds collected were used for the intended purpose.

PROCEDURES

We obtained a listing of Transportation Department employees from the District. We called each employee to determine the amount of money given to Connie R. Weir for the gift. We also sent requests for written confirmations to the employees who said they had contributed money toward the gift. We verified the purchase of the gift (3/8" impact high output wrench) by the District to the voucher and invoice. We spoke to Chief Deputy Bob Wirkner concerning the actual location of the gift.

RESULTS

Testing disclosed that Connie R. Weir collected money from Transportation Department employees, but did not deposit the money into the District treasury. The District purchased a 3/8" impact high output wrench on February 11, 1997 for \$245 which was given to another employee as a graduation gift. When the wrench was purchased by the District, it was not the Board's intention that it be given as a gift. The wrench was purchased for use in the transportation department. The Carroll County Sheriff's Department Chief Deputy Bob Wirkner confirmed the employee did receive the gift and is currently using it in his profession.

Donations were collected from Transportation Department employees by Connie R. Weir for the purpose of purchasing a graduation gift for the part-time mechanic. Through inquiry, we spoke with thirty-six Transportation Department employees. Eighteen of them stated they donated towards the purchase of a gift. We then asked for written statements from these individuals. Only nine of the eighteen employees provided written statements. The District receipt was inspired to verify the deposit of the money collected. The monies collected by Connie R. Weir were not deposited into the District Treasury, and were not used for the purchase of the gift. Since the money collected for the gift is not considered "public money" in accordance with Ohio Rev. Code Section 117.01, any recovery of the donations would have to be made by those employees that donated. The employees and their respective donations are as follows:

SUPPLEMENT TO THE SPECIAL AUDIT REPORT

Payee	Amount
Dale Howell	\$3
Michelle Howell	3
George Keyser	3
Leslie Lucas	5
William McGinnis	10
Jacqueline Nichols	3
Pamela Sedon	10
Nancy Stephenson	10
Joan Toot	_5
Grand Total	\$52

FINDINGS FOR RECOVERY

Tool Purchase

A 3/8" impact high output wrench that cost \$245 was purchased by the District on February 18, 1997 from Snap-On Tools, invoice #34864. The School District paid this invoice, along with one other unrelated one, with warrant #21434 issued for \$335 on February 25, 1997. Connie Weir gave the tool, as a graduation gift, to a high school student who worked in the bus garage as a part-time mechanic.

In accordance with the foregoing facts, and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public property converted or misappropriated is hereby issued against Connie R. Weir and in favor of the General Fund of the Carrollton Exempted Village School District in the amount of \$245.

ISSUE 5 - GASOLINE USAGE

We reviewed School District records regarding gasoline used by the former Transportation Director for the period September 1998 through February 1999 to determine if the former Director used more than the allotted 15 gallons per week stipulated in her job description. We did not test the entire audit period since there was no tracking device for gasoline consumption prior to the use of the electronic card system which began in September 1998.

SUPPLEMENT TO THE SPECIAL AUDIT REPORT

PROCEDURES

We obtained a copy of the former Transportation Director's job description. We verified the amount of gas used per week by the Transportation Director using the gasoline invoices and payments made by the District to the gasoline company.

RESULTS

The job description for the Director of Transportation dated August 8, 1996 states that "When the supervisor's vehicle is used for school business on a regular basis and mileage is not claimed, the following will be provided at no cost: Fifteen gallons of gasoline per week (approximately)." During eighteen of the twenty-one weeks tested, Connie R. Weir exceeded the allowed 15 gallons per week. It was also noted that during six of the twenty-one weeks tested, the former Transportation Director filled her personal vehicle up with gasoline on Friday and then filled up again on the following Monday. On one instance, she filled up on Friday and again the very next day on Saturday. The total gasoline used on weekends amounted to 100.5 gallons. According to school officials, minimal school business would have been conducted over the weekends by the former Transportation Director. This procedure implies that not all of the gasoline used was for school business as required in her job description. A finding for recovery will be issued in the amount paid by the District for the gasoline used in excess of the 15 gallons per week.

FINDING FOR RECOVERY

Gasoline Usage

During the period September 1998 through February 1999, Connie R. Weir exceeded the fifteen gallons per week gasoline usage benefit provided for in her job description eighteen of the twenty-one weeks tested. In total, Connie R. Weir used 237.4 gallons, valued at \$176, in excess of her allotted gasoline usage.

In accordance with the foregoing facts, and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public money illegally expended is hereby issued against Connie R. Weir and in favor of the General Fund of the Carrollton Exempted Village School District in the amount of \$176.

MANAGEMENT COMMENT

Mileage Reimbursement Policy

We recommend the transportation director be reimbursed for mileage instead of other benefits such as gasoline usage, repair service, etcetera. A policy should be approved by the Board of Education establishing a standard mileage reimbursement rate throughout the District. This procedure will help to ensure that District money is spent for a proper public purpose and will help to improve internal controls over disbursements. A mileage log should be maintained by each person showing odometer readings, the number of miles actually traveled on school business and the amount of mileage reimbursement requested. This log should be signed by the employee and their supervisor to help ensure accuracy and completeness and should be attached to the voucher when payment is made. Currently, all school officials and employees, except the transportation director, are reimbursed for mileage, and are required to maintain a mileage log. This comment is also addressed in Issue 6 dealing with Automobile Repair Service.

SUPPLEMENT TO THE SPECIAL AUDIT REPORT

ISSUE 6 - AUTOMOBILE REPAIR SERVICE

We reviewed documentation provided by the District and the Carroll County Sheriff's Department to determine if automobile repair service was performed on the former Director's vehicle at District expense.

PROCEDURES

We obtained a copy of the Transportation Director's job description stating the District's policy regarding the former Director's personal vehicle. We reviewed all purchase orders, invoices and other supporting documentation of the Transportation Department from July 1, 1996 through February 28, 1999, as related to automobile repair service to the former Director's personal 1993 Ford Explorer vehicle. We scheduled vehicle expenses of the former Director during the period July 1, 1996 through February 28, 1999. We confirmed the definition of "regular maintenance service" with the former Superintendent, who wrote the job description, and the current Board of Education members.

RESULTS

The prior School Superintendent who wrote the job description for the Director of Transportation and Buildings and Grounds states that his definition of "regular or routine services" is as follows: "This includes regular oil changes and lubrication, checking of all fluid levels, and other checks that an auto mechanic makes for routine servicing at 3,000-5,000 mile intervals." Nine of the eighteen invoices tested had "non-routine maintenance" repairs contrary to the Superintendent's definition as noted above. These invoices were paid by the District. They include expenses for replacing the exhaust system, replacing front brake pads and machine rotors, replacing lid on console, removing front door trim panels and replacing door lamps, replacing both front brake rotors and pads, repacking wheel bearings, replacing right upper and lower ball joints, realigning front end, checking passenger window for rattle, replacing oxygen sensor, installing window guide track, removing drive shaft, replacing left rear axle bearing, replacing rear brakes, resurfacing drums, replacing emergency brake cables, replacing oil pressure sender, replacing antilock brake assembly, and replacing right front fender after former Director's son was involved in an accident while driving the vehicle. The total amount considered to be "regular maintenance service" in accordance with the former Superintendent's definition is \$644, and the total considered to be "non-routine maintenance" amounts to \$3,275.

However, in the Board of Education's description of "regular maintenance service", they expressed the following: "This Board is in agreement that such items as oil changes, lubrication, checking fuel levels and other checks made for routine service at 3,000 to 5,000 mile intervals obviously fall under the heading of routine maintenance. Furthermore, it is the Board's view that other items listed by your (the Auditor of State) review could be interpreted as routine maintenance. It is finally our belief that the item listed as "replace right front fender due to Director's son being involved in an accident while driving vehicle" is not routine maintenance." Therefore, since the Board of Education is responsible for approving these expenses and their interpretation excludes those items the former Superintendent believes to be "non-routine maintenance", the only finding for recovery to be made against the former Director is for the repair bill paid by the District for the accident involving the former Director's son.

A finding for recovery will be issued against Connie R. Weir for the total amount of "non-routine maintenance" as interpreted by the Board of Education and which was paid by the District on her personal vehicle.

SUPPLEMENT TO THE SPECIAL AUDIT REPORT

FINDING FOR RECOVERY

Automobile Repair Service

During the period of July 1, 1996 through February 28, 1999, Connie R. Weir used District monies to pay for repairs to her personal vehicle which went above and beyond the "regular maintenance service" provided for in her job description.

The total amount of vehicle expenses paid on the former Director's personal 1993 Ford Explorer for the period September 9, 1996 through January 27, 1999 amounts to \$3,919. Of this amount, \$487 was paid to Deluxe Body Shop, Inc. on October 28, 1998 with District warrant #25752. The service provided by the body shop included the replacing of the right front fender of Connie R. Weir's 1993 Ford Explorer due to an accident on July 17, 1998 in which her son was driving her vehicle.

Ms. Weir informed the District Superintendent and Treasurer that someone backed into her vehicle while it was sitting on the bus garage lot. On May 11, 1999, the Board of Education met in Regular Session with all members present. During the meeting, Resolution 182-FY 99 was passed thereby terminating Connie Weir's administrator's contract with the District effective May 12, 1999. One of the grounds the Board listed in the Resolution was, "Connie Weir knowingly and intentionally misrepresented the cause of damages to her personal vehicle as having occurred on District property. Repairs were subsequently made at her instance at the District's expense."

In accordance with the foregoing facts, and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public money illegally expended is hereby issued against Connie R. Weir in favor of the General Fund of the Carrollton Exempted Village School District in the amount of \$487.

MANAGEMENT COMMENT

Mileage Reimbursement Policy

We recommend the transportation director be reimbursed for mileage instead of other benefits such as gasoline usage, repair service, etcetera. A policy should be approved by the Board of Education establishing a standard mileage reimbursement rate throughout the District. This procedure will help to ensure that District money is spent for a proper public purpose and will help improve internal controls over disbursements. A mileage log should be maintained by each person showing odometer readings, the number of miles actually traveled on school business and the amount of mileage reimbursement requested. This log should be signed by the employee and their supervisor to help ensure accuracy and completeness and should be attached to the voucher when payment is made. Currently, all school officials and employees, except the transportation director, are reimbursed for mileage, and are required to maintain a mileage log. This comment is also addressed in Issue 5 dealing with Gasoline Usage.



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CARROLLTON EXEMPTED VILLAGE SCHOOL DISTRICT

CARROLL COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JANUARY 11, 2000**