

North Dakota Office of the State Auditor

Lisbon Park District Special Examination

October 15, 2017 through October 14, 2019

Client Code: 7040-19



North Dakota State Auditor
Joshua C. Gallion

**Lisbon Park District
Lisbon, North Dakota**

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December 19, 2019

Ms. Rebekah Wallen, Claims Support Specialist
North Dakota Insurance Reserve Fund
PO Box 2258
Bismarck, ND 58502

RE: Lisbon Park District
Bond No. 2849
Claim No. 129

Dear Ms. Wallen:

We performed a special examination of the Lisbon Park District, Lisbon, North Dakota for the period October 15, 2017 through October 14, 2019. These records are the responsibility of the Lisbon Park District's management.

Based on our discussion with Lisbon Park District Board members and examination of the bank statements, accounting records, and IRS/Workers Compensation/Job Service filings we noted a former employee appears to have issued additional checks to herself above what she was entitled to as the park board secretary and pool/canteen manager.

The total amount in question is \$72,602.20.

Detailed schedules of the questioned amounts are presented on the following pages.

The Bonding Fund should take whatever action may be necessary regarding this matter.

Sincerely,

/S/

Joshua C. Gallion
State Auditor

cc: Mr. Fallon Kelly, Ransom County State's Attorney

LISBON PARK DISTRICT
Lisbon, North Dakota

SUMMARY OF AMOUNTS QUESTIONED

October 15, 2017 through October 14, 2019

	Total Payments		Authorized Payments		Amount Questioned
2017 Additional Net Payroll	\$ 10,180.95	\$	900.00	\$	9,280.95
2018 Additional Net Payroll	\$ 54,502.15	\$	15,750.00	\$	38,752.15
2019 Additional Net Payroll	\$ 36,469.10	\$	11,900.00	\$	24,569.10
Total Amount Questioned				\$	<u>72,602.20</u>

NOTE: Actual amounts of the checks were used to calculate the questioned cost amount, rather than the gross payroll amount as we were unable to determine if payroll taxes were withheld and paid.

2017 check amounts were taken from bank statements covering October 6, 2017 through January 5, 2018.

2018 check amounts were taken from bank statements covering January 6, 2018 through January 7, 2019.

2019 check amounts were taken from bank statements covering January 8, 2019 through October 4, 2019.

LISBON PARK DISTRICT
Lisbon, North Dakota

AMOUNTS QUESTIONED FOR 2017

Appendix A

<u>Check Number</u>	<u>Pay Period/Check Memo</u>	<u>Amount</u>
10811	10/1/17 - 10/31/17	\$ 269.05
10812	10/2/2017 - 10/15/17	\$ 646.63
10816	10/9/17 - 10/22/17	\$ 646.62
10817	10/9/17 - 10/22/17	\$ 646.63
10818	11/1/17 - 11/30/17	\$ 269.05
10819	11/1/17 - 11/30/17	\$ 269.05
10820	10/23/17 - 11/5/17	\$ 646.62
10824	10/23/17 - 11/5/17	\$ 646.63
10825	11/1/17 - 11/30/17	\$ 269.05
10826	11/1/17 - 11/30/17	\$ 269.05
10827	11/5/17 - 11/18/17	\$ 646.62
10829	11/6/17 - 11/19/17	\$ 646.63
10830	11/1/17 - 11/30/17	\$ 269.05
10831	12/1/17 - 12/31/17	\$ 269.05
10833	11/20/17 - 12/3/17	\$ 646.62
10834	11/20/17 - 12/3/17	\$ 646.63
10823	11/27/17 - 12/10/17	\$ 646.62
10835	12/1/17 - 12/31/17	\$ 269.05
10847	12/18/2017 - 12/31/17	\$ 646.62
10848	12/18/17 - 12/31/17	\$ 646.63
10849	1/1/18 - 1/31/18	\$ 269.05
	Total Net Check Amount	\$ 10,180.95
	Less Gross Amount Earned *	\$ (900.00)
	Questioned Costs for 2017	\$ 9,280.95

* Gross pay earned was \$300/month for Park Board Secretary.

LISBON PARK DISTRICT
Lisbon, North Dakota

AMOUNTS QUESTIONED FOR 2018

Appendix B

<u>Check Number</u>	<u>Pay Period/Check Memo</u>	<u>Amount</u>
10851	01/01/18 - 01/14/18	\$ 646.62
10852	01/01/18 - 01/31/18	\$ 269.05
10853	01/01/18 - 01/14/18	\$ 646.63
10854	01/01/18 - 01/31/18	\$ 269.05
10855	01/01/18 - 01/14/18	\$ 657.62
10856	02/01/18 - 02/28/18	\$ 269.05
10858	01/15/18 - 01/28/18	\$ 657.63
10874	02/01/18 - 02/28/18	\$ 269.05
10879	02/01/18 - 02/28/18	\$ 267.05
10880	01/15/18 - 01/28/18	\$ 657.62
10881	01/29/18 - 02/11/18	\$ 657.63
10882	02/01/18 - 02/28/18	\$ 269.05
10883	01/29/18 - 02/11/18	\$ 657.62
10884	02/01/18 - 02/28/18	\$ 277.05
10885	01/29/18 - 02/11/18	\$ 657.63
10886	02/01/18 - 02/28/18	\$ 269.05
10887	02/12/18 - 02/25/18	\$ 657.62
10888	03/01/18 - 03/31/18	\$ 269.05
10894	02/12/18 - 02/25/18	\$ 657.63
10895	03/01/18 - 03/31/18	\$ 277.05
10896	02/12/18 - 02/25/18	\$ 657.62
10897	03/01/18 - 03/31/18	\$ 269.05
10898	02/19/18 - 03/04/18	\$ 657.63
10899	03/01/18 - 03/31/18	\$ 267.05
10900	03/01/18 - 03/31/18	\$ 267.05
10901	02/25/18 - 03/11/18	\$ 657.62
10902	02/26/18 - 03/11/18	\$ 657.63
10903	03/01/18 - 03/31/18	\$ 269.05
10904	03/01/18 - 03/31/18	\$ 269.05
10905	phone	\$ 50.00
10906	02/26/18 - 03/11/18	\$ 779.15
10907	04/01/18 - 04/30/18	\$ 267.05

LISBON PARK DISTRICT
Lisbon, North Dakota

AMOUNTS QUESTIONED FOR 2018

Appendix B

<u>Check Number</u>	<u>Pay Period/Check Memo</u>	<u>Amount</u>
10909	03/12/18 - 03/25/18	\$ 775.15
10910	03/12/18 - 03/25/18	\$ 779.15
10911	04/01/18 - 04/30/18	\$ 267.05
10913	04/01/18 - 04/30/18	\$ 267.05
10914	03/19/18 - 04/01/18	\$ 779.15
10915	phone	\$ 50.00
10912	03/26/18 - 04/08/18	\$ 779.15
10916	04/01/18 - 04/30/18	\$ 178.70
10917	03/26/18 - 04/08/19	\$ 779.15
10918	04/01/18 - 04/30/18	\$ 269.05
10919	03/26/18 - 04/08/20	\$ 779.15
10920	04/01/18 - 04/30/18	\$ 267.05
10921	04/02/18 - 04/15/18	\$ 779.15
10926	04/02/18 - 04/15/19	\$ 779.15
10927	04/01/18 - 04/30/18	\$ 267.05
10928	04/09/18 - 04/22/18	\$ 761.15
10929	04/01/18 - 04/30/18	\$ 265.05
10930	04/09/18 - 04/22/18	\$ 756.15
10931	05/01/18 - 05/31/18	\$ 262.05
10932	04/09/18 - 04/22/18	\$ 751.15
10933	04/01/18 - 04/30/18	\$ 262.05
10934	04/16/18 - 04/29/18	\$ 751.15
10935	05/01/18 - 05/31/18	\$ 169.70
10936	phone	\$ 50.00
10937	04/23/18 - 05/06/18	\$ 751.15
10938	05/01/18 - 05/31/18	\$ 169.70
10942	04/23/18 - 05/06/18	\$ 761.15
10943	05/01/18 - 05/31/18	\$ 262.05
10944	04/30/18 - 05/13/18	\$ 769.15
10945	05/18/18 - 05/31/18	\$ 262.05
10946	04/03/18 - 05/13/18	\$ 761.15
10947	05/01/18 - 05/31/18	\$ 262.05

LISBON PARK DISTRICT
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AMOUNTS QUESTIONED FOR 2018

Appendix B

<u>Check Number</u>	<u>Pay Period/Check Memo</u>	<u>Amount</u>
10949	05/07/18 - 05/20/18	\$ 761.15
10950	05/01/18 - 05/31/18	\$ 262.05
10951	05/07/18 - 05/20/18	\$ 761.15
10952	05/01/18 - 05/31/18	\$ 264.05
10956	05/21/18 - 06/03/18	\$ 766.15
10957	06/01/18 - 06/30/18	\$ 174.70
10958		\$ 50.00
10966	05/21/18 - 06/03/18	\$ 756.15
10971	06/04/18 - 06/17/18	\$ 761.15
10972	06/01/18 - 06/30/18	\$ 173.70
10994	06/04/18 - 06/17/18	\$ 756.15
11013	06/16/18 - 07/01/18	\$ 756.15
11019	07/01/18 - 07/31/18	\$ 169.70
11020	Phone	\$ 50.00
11054	7/2/18 - 7/15/18	\$ 756.15
11060	7/2/18 - 7/15/18	\$ 751.15
11063	phone	\$ 50.00
11064	7/16/18 - 7/29/18	\$ 756.15
11065	8/1/18 - 8/31/18	\$ 169.70
11056	7/30/18 - 8/12/18	\$ 756.15
11125	8/13/18 - 8/25/18	\$ 761.15
11139	phone	\$ 50.00
11140	9/1/18 - 9/30/18	\$ 257.05
11142	8/27/18 - 9/9/18	\$ 756.15
11149	8/27/18 - 9/9/18	\$ 756.15
11150	9/10/18 - 9/23/18	\$ 766.15
11151	phone	\$ 50.00
11152	10/1/18 - 10/31/18	\$ 262.05
11153	9/24/18 - 10/7/18	\$ 756.15
11154	9/24/18 - 10/7/18	\$ 751.15
11157	10/8/18 - 10/21/18	\$ 751.15
11158	10/21/2018 - 11/1/18	\$ 257.05

LISBON PARK DISTRICT
Lisbon, North Dakota

AMOUNTS QUESTIONED FOR 2018

Appendix B

Check Number	Pay Period/Check Memo	Amount
11162	10/8/18 - 10/21/18	\$ 746.15
11163	phone	\$ 50.00
11164	11/1/18 - 11/30/18	\$ 262.05
11166	10/22/18 - 11/4/18	\$ 746.15
11167	10/26/2018 - 11/11/18	\$ 751.15
11168	11/5/18 - 11/18/18	\$ 751.15
11169	11/1/18 - 11/30/18	\$ 262.05
11170	11/5/18 - 11/18/18	\$ 746.15
11171	11/1/18 - 11/30/18	\$ 252.05
11172	11/19/18 - 12/2/18	\$ 756.15
11173	12/1/18 - 12/31/18	\$ 257.05
11174	phone	\$ 50.00
11178	12/3/18- 12/16/18	\$ 756.15
11179	12/16/18 - 12/31/18	\$ 262.05
11180	12/3/18 - 12/16/18	\$ 766.15
11181	12/3/2018 - 12/16/18	\$ 751.15
11185	1/1/2019 - 1/31/19	\$ 262.05
11186	phone	\$ 50.00
Total Net Check Amount		\$ 54,502.15
Less Gross Amount Earned *		\$ (15,750.00)
Questioned Costs for 2018		\$ 38,752.15

* Gross pay earned was \$300/month for Park Board Secretary for January through March, \$250/month for Park Board Secretary for April through December (includes \$50 cell phone reimbursement), and \$1,800/month for pool manager for April through October.

LISBON PARK DISTRICT
Lisbon, North Dakota

AMOUNTS QUESTIONED FOR 2019

Appendix C

<u>Check Number</u>	<u>Pay Period/Check Memo</u>	<u>Amount</u>
11187	12/31/18 - 01/13/19	\$ 756.15
11188	12/31/18 - 01/13/20	\$ 693.80
11190	01/07/19 - 01/20/19	\$ 699.80
11191	02/01/19 - 02/28/19	\$ 267.05
11192	01/14/19 - 01/27/19	\$ 756.15
11193	Cell Phone	\$ 50.00
11210	02/01/19 - 02/28/19	\$ 262.05
11211	Phone	\$ 50.00
11212	01/21/18 - 02/03/19	\$ 766.15
11213	01/28/18 - 02/10/19	\$ 756.15
11214	02/01/19 - 02/28/19	\$ 262.05
11215	02/11/19 - 02/24/19	\$ 756.15
11216	03/01/19 - 03/31/19	\$ 257.05
11217	02/11/19 - 02/24/19	\$ 746.15
11219	02/25/19 - 03/10/19	\$ 756.15
11220	03/01/19 - 03/31/19	\$ 257.05
11221	02/25/19 - 03/10/19	\$ 751.15
11222	02/25/19 - 03/10/20	\$ 756.15
11223		\$ 756.15
11224		\$ 759.15
11225		\$ 262.05
11226	04/01/19 - 04/30/19	\$ 252.05
11227	03/25/19 - 04/07/19	\$ 756.15
11228	04/01/19 - 04/30/19	\$ 257.05
11229	03/25/19 - 04/07/19	\$ 751.15
11235	Phone	\$ 50.00
11236	04/08/19 - 04/21/19	\$ 751.15
11237		\$ 200.00
11238	04/08/19 - 04/21/19	\$ 751.15
11239	04/05/19 - 04/21/19	\$ 746.15
11240	04/01/19 - 04/30/19	\$ 252.05
11241	04/22/19 - 06/05/19	\$ 756.15

LISBON PARK DISTRICT
Lisbon, North Dakota

AMOUNTS QUESTIONED FOR 2019

Appendix C

<u>Check Number</u>	<u>Pay Period/Check Memo</u>	<u>Amount</u>
11242		\$ 250.00
11243	05/01/19 - 05/31/19	\$ 257.05
11230	04/22/19 - 05/05/19	\$ 751.15
11244	05/01/19 - 05/31/19	\$ 257.05
11245	04/22/19 - 05/05/19	\$ 751.15
11247	04/22/19 - 05/05/20	\$ 751.15
11248	05/01/19 - 05/31/19	\$ 257.05
11249	04/22/19 - 05/05/20	\$ 751.15
11251	05/06/19 - 05/19/19	\$ 741.15
11253		\$ 269.02
11254		\$ 751.97
11255	05/20/19 - 06/02/19	\$ 751.15
11256	06/01/19 - 06/30/19	\$ 257.05
11257	Cell Phone	\$ 50.00
11258	Phone computer	\$ 200.00
11259	05/20/19 - 06/02/19	\$ 751.15
11252	06/03/19 - 06/16/19	\$ 766.15
11270	06/03/19 - 06/16/19	\$ 773.91
11281	06/03/19 - 06/16/20	\$ 839.27
11293	07/01/19 - 07/31/19	\$ 252.05
11294		\$ 250.00
11299	06/17/19 - 06/30/19	\$ 861.50
11315	06/17/19 - 06/30/19	\$ 845.26
11332	07/01/19 - 07/14/19	\$ 829.27
11336	07/01/19 - 07/14/20	\$ 829.26
11349	07/01/19 - 07/14/21	\$ 829.27
11353	07/15/19 - 07/28/19	\$ 839.27
11368		\$ 250.00
11371	07/22/19 - 08/04/19	\$ 834.26
11377	07/29/19 - 08/11/19	\$ 829.27
11393	08/12/19 - 08/25/19	\$ 854.26
11409		\$ 250.00

**LISBON PARK DISTRICT
Lisbon, North Dakota**

AMOUNTS QUESTIONED FOR 2019

Appendix C

<u>Check Number</u>	<u>Pay Period/Check Memo</u>	<u>Amount</u>
11410	08/26/19 - 09/08/19	\$ 839.26
	Total Net Check Amount	\$ 36,469.10
	Less Gross Amount Earned *	\$ (11,900.00)
	Questioned Costs for 2019	\$ 24,569.10

* Gross pay earned was \$250/month for Park Board Secretary (includes \$50 cell phone reimbursement) and \$1,800/month for pool manager for April through 1/2 September.

NOTE: Per discussion with Lisbon Park Board members, the pool manager was to be paid \$18/hour to reduce costs from the prior year. We were unable to locate any timesheets for the former employee. As such, we used \$1,800/month to calculate the amount earned as we feel this is a conservative calculation of the questioned costs amount.