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NEWS RELEASE

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FOR RELEASE

November 19, 2025

Auditor of State Rob Sand today released a report on a special investigation of the City of McCausland for the period of March 1, 2020 through March 31, 2025. The special investigation was requested by City officials as a result of concerns regarding certain financial transactions processed by the former City Clerk, Sheila Bosworth.

Sand reported the special investigation identified \$63,233.44 of improper disbursements and \$2,279.62 of unsupported disbursements. However, because City records were not sufficiently maintained, it was not possible to determine if additional amounts were improperly disbursed.

The \$63,233.44 of improper disbursements includes \$55,000.00 of unauthorized checks issued to Ms. Bosworth; \$2,000.00 of reimbursements to Ms. Bosworth; \$4,800.00 of checks issued to Blackhawk Bank and Trust for cash; and \$1,433.44 of purchases using the City's credit card.

The \$2,279.62 of unsupported disbursements is composed of purchases made using the City's credit card for which the City could not provide support documentation.

Sand recommended City officials implement procedures to ensure the City's internal controls are strengthened, including segregation of duties, and ensuring all disbursements and credit card purchases are properly supported, approved, and paid in a timely manner.

Copies of this report have been filed with the Scott County Sheriff's Office, Iowa Division of Criminal Investigation, the Scott County Attorney's Office, and the Attorney General's Office. A copy of the report is available for review on the Auditor of State's website at [Special Interest Reports](#).

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**REPORT ON SPECIAL INVESTIGATION
OF THE
CITY OF MCCAUSLAND
FOR THE PERIOD
MARCH 1, 2020 THROUGH MARCH 31, 2025**

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Rob Sand
Auditor of State

Auditor of State's Report

To the Honorable Mayor and
Members of the City Council:

As a result of concerns regarding certain financial transactions processed by the former City Clerk and at your request, we conducted a special investigation of the City of McCausland. We have applied certain tests and procedures to selected financial transactions of the City for the period March 1, 2020 through March 31, 2025. Based on a review of relevant information and discussions with City officials and personnel, we performed the following procedures.

- (1) Evaluated internal controls to determine whether the adequate policies and procedures were in place and operating effectively.
- (2) Reviewed activity in the City's bank account to identify any unusual activity.
- (3) Reviewed available City Council meeting minutes to identify significant actions and to determine if certain payments were properly approved.
- (4) Scanned images of redeemed checks issued from the City bank account for reasonableness. We also examined supporting documentation for selected disbursements to determine if they were properly approved, supported by adequate documentation, and appropriate for City operations.
- (5) Reviewed the City's credit card statements to identify any unusual activity. We examined supporting documentation for selected purchases to determine if they were properly approved, supported by adequate documentation, and appropriate for the City's operations.
- (6) Examined payroll disbursements and reimbursements to the former City Clerk, Sheila Bosworth, to determine the propriety of the payments.
- (7) Interviewed City officials and personnel to determine the purpose of certain disbursements to vendors and reimbursements to employees.

These procedures identified \$63,233.44 of improper disbursements and \$2,279.62 of unsupported disbursements. We were unable to determine if additional amounts were improperly disbursed because adequate documentation were not available. Several internal control weaknesses were also identified. Our detailed findings and recommendations are presented in the Investigative Summary and **Exhibits A** through **D** of this report.

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

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

We would like to acknowledge the assistance extended to us by officials and personnel of McCausland during the course of our investigation.

A handwritten signature in black ink, appearing to read "Rob Sand". The signature is stylized with a large "R" and "S".

ROB SAND
Auditor of State

October 27, 2025

City of McCausland

Investigative Summary

Background Information

The City of McCausland (City) is located in Scott County and has a population of approximately 313. The City employs a part-time City Clerk/Treasurer and a part-time Deputy Clerk. In addition, the City employs a full-time maintenance employee who is responsible for repairs, mowing, and snow removal.

Sheila Bosworth began employment with the City as the City Clerk on March 3, 2009. As the City Clerk, Ms. Bosworth was responsible for the following functions:

- Disbursements – making certain purchases, receiving certain goods and services, presenting proposed disbursements to the City Council for approval, maintaining supporting documentation, preparing, signing, and distributing checks and posting to the accounting records;
- Receipts – opening mail, and posting all collections to the accounting records;
- Credit cards – making certain purchases, receiving and reconciling monthly credit card statements, maintaining supporting documentation, and making payments;
- Payroll – calculating payroll amounts, signing, and distributing checks, and filing required payroll reports;
- Bank accounts – receiving and reconciling monthly bank statements to accounting records; and
- Reporting – preparing City Council meeting minutes and financial reports, including monthly bank reconciliation.

The Deputy Clerk was responsible for recording receipts and processing utility billings such as sewer, garbage, and recycling. Payroll was processed by a third-party vendor, which processed Ms. Bosworth's timesheets. Prior to sending her timesheets to the third party, the timesheets were reviewed by the Mayor.

According to City officials we spoke with, Ms. Bosworth's position was a part-time position, and she was expected to work between 8 to 12 hours per week. Ms. Bosworth was paid once a month at an hourly rate for the number of hours worked. Ms. Bosworth was eligible to receive raises as approved by City Council throughout her employment. However, the position was not eligible for overtime, vacation time, sick leave, or comp time.

According to City officials, Ms. Bosworth was eligible for reimbursement of travel costs, such as mileage and meals, for training and/or conferences she attended. Travel reimbursements were approved by the Mayor prior to Ms. Bosworth's attending a training.

The City's primary revenue sources include local option sale tax and road use tax from the State of Iowa and property tax collected by Scott County and remitted to the City. Revenue is also received from customers for sewer, garbage, and recycling. The City also collects miscellaneous revenue for the rental of the community center and the pavilion. Utility payments and other payments are collected through the mail or in person.

Most City disbursements, including payroll, are to be made by check, with the exception of IPERS, the IRS, and employee benefits which are paid by electronic funds transfer (EFT). In addition, supplies may be purchased with the City's credit cards. The City assigned a credit card to the City Clerk and the City maintenance employee. All disbursements are required to be supported by invoices or other supporting documentation obtained by or submitted to the City Clerk. Each month, the City Clerk

was to prepare a listing of bills to be paid and provided the listing to the City Council for approval. After the City Council approved the bills, the City Clerk prepared and signed the checks. The checks are provided to the Mayor to be countersigned.

The City established a bank account used for all City operations. In addition, the City established two Money Market accounts. The monthly bank statements for the bank accounts are mailed to City Hall and opened by the City Clerk. According to City officials, the monthly statements and related images of redeemed checks were reviewed by the Mayor while Ms. Bosworth was the City Clerk.

On March 17, 2025, the bank informed the City of suspicious activity on the City's account. City officials went to the bank and were informed the City Clerk used the Mayor's e-signature to issue checks to herself. On March 24, 2025, the City placed the City Clerk on administrative leave and retrieved all City property from Ms. Bosworth. On April 15, 2025, Ms. Bosworth informed City officials she would be retiring.

As a result of the concerns identified, City officials with the assistance of the Scott County Sheriff's Office requested the Office of Auditor of State to review the City's financial records. We performed the procedures detailed in the Auditor of State's Report for the period March 1, 2020 through March 31, 2025.

Detailed Findings

The procedures performed identified \$63,233.44 of improper disbursements and \$2,279.62 of unsupported disbursements for the period March 1, 2020 through March 31, 2025.

The \$63,233.44 of improper disbursements identified includes:

- \$55,000.00 of unauthorized checks issued to Ms. Bosworth;
- \$2,000.00 of reimbursements issued to Ms. Bosworth;
- \$4,800.00 of checks issued to Blackhawk Bank and Trust for cash; and
- \$1,433.44 of improper purchases using the City's credit card.

We also identified \$2,279.62 of unsupported disbursements which included purchases made using the City's credit card.

We were unable to determine if additional funds were improperly disbursed because adequate documentation was not available. All findings are summarized in **Exhibit A** and a detailed explanation of each finding follows.

We attempted to contact Ms. Bosworth to obtain an understanding of her job duties and certain transactions; however, Ms. Bosworth did not return our phone calls.

IMPROPER AND UNSUPPORTED DISBURSEMENTS

As previously stated, City disbursements are to be made by check and purchases may be made with the City's credit card. We scanned all disbursements and redeemed checks from the City's bank account from March 1, 2020 through March 31, 2025 to determine propriety. We also scanned all purchases made on the City's credit card for the same period.

Using the supporting documentation available from the City, internet searches, the vendor, the frequency and amount of the payments, and discussions with City officials, we classified payments as improper, unsupported, or reasonable.

Disbursements were classified as improper if they were personal in nature or not necessary or reasonable for operations of the City. Disbursements were classified as unsupported if appropriate documentation was not available or it was not possible to determine if disbursements were related to City operations or was personal in nature. Other disbursements were classified as reasonable if it appeared they were for City operations based on supporting documentation, the vendor, frequency and amount of the payments, and/or discussions with City officials.

The improper and unsupported disbursements identified in the City's bank account and the improper and unsupported purchases made using the City's credit card are explained in detail in the following paragraphs.

Checks Issued to Sheila Bosworth

As previously stated, Ms. Bosworth began employment with the City on March 3, 2009, for the position of City Clerk. She was to be paid on a monthly basis with the expectation she would work 8 to 12 hours per week. Ms. Bosworth was eligible for reimbursement of expenses related to City operations if she submitted supporting documentation.

Because Ms. Bosworth was responsible for preparing all other disbursements for the City, we reviewed payments issued to herself to determine propriety. As part of our procedures, we reviewed all payroll checks issued to Ms. Bosworth from the City. Ms. Bosworth was not eligible for vacation, sick time, or compensation time.

Each type of disbursement issued to Ms. Bosworth is discussed in more detail in the following paragraphs.

Unauthorized Checks – As previously stated, Ms. Bosworth was paid an hourly wage on a monthly basis for hours worked. Ms. Bosworth prepared timesheets which were reviewed by the Mayor and were provided to Pay/Tech Solutions to be processed.

However, when we compared the detail earnings report to the City's bank statements, we identified additional checks issued to Ms. Bosworth. As previously stated, employees were paid once a month, for the month of February 2025, Ms. Bosworth receive a payroll check on February 3, 2025 in the amount of \$966.17. However, in that same month Ms. Bosworth received four additional checks each in the amount of \$2,000.00; dated February 21, February 24, February 26, and February 28. The unauthorized checks are included in **Exhibit B**. As previously stated, in March 2025, the bank had informed the City of additional checks issued by Ms. Bosworth to herself from the City's account.

Table 1 compares the number and net amount of authorized payroll checks recorded in the payroll system by fiscal year for Ms. Bosworth to the number and net amount of the checks Ms. Bosworth received.

Table 1

Fiscal Year	Authorized Payroll Checks		Checks Received		Unauthorized Checks	
	Number of Checks	Amount	Number of Checks	Amount	Number of Checks	Amount
2020	11	\$ 5,473.75	11	\$ 5,473.75	-	\$ -
2021	11	5,430.80	11	5,430.80	-	-
2022	12	6,314.30	12	6,314.30	-	-
2023	12	6,941.27	12	6,941.27	-	-
2024	12	6,335.21	12	6,335.21	-	-
2025	3	2,605.65	29	57,605.65	26	55,000.00
Total	61	\$ 33,100.98	87	\$ 88,100.98	26	\$ 55,000.00

During our review of Ms. Bosworth payroll, we reviewed her employee detail earnings report provided by the City. Based on our review of the report, we determined the 61 checks identified in **Table 1** issued to Ms. Bosworth's were reasonable and issued to her for hours worked in accordance with City policy.

As shown by the **Table**, Ms. Bosworth received 26 unauthorized checks totaling \$55,000.00. **Exhibit B** lists the 26 unauthorized checks issued to Ms. Bosworth during the period of February 21, 2025 through March 17, 2025. According to City officials we spoke with, the 26 additional checks were not payroll for her normal job duties and were not properly approved. In addition, City officials stated Ms. Bosworth used the Mayor's e-signature to sign the additional checks. However, according to City officials the e-signature was only allowed to be used for things such as minutes, but not for checks. Because the additional checks were not payroll checks, were not approved by City Council and were not properly signed by the Mayor, the 26 unauthorized checks are considered improper disbursements.

As a result, the 26 unauthorized checks in the amount of \$55,000.00 are included in **Exhibit A** as improper disbursements.

On March 19, 2025, a detective with the Scott County Sheriff's Office interviewed Ms. Bosworth and inquired about the unauthorized checks. According to the interview between Ms. Bosworth and a Scott County Sheriff's Office Detective, Ms. Bosworth stated "she made a mistake" and she stated "I'm paying it back, I guess, I got into some bad times and made a mistake and I'm sorry about that". Based on our review of the City's records and bank statements, we did not identify any instances where Ms. Bosworth had repaid the City.

In addition, during the interview, the Detective asked Ms. Bosworth to explain how everything began. Ms. Bosworth stated, she has "been working with an investor in Bitcoin and its been an ongoing thing". Ms. Bosworth went on to explain the process to setup Bitcoin and get access to the funds was longer than she anticipated and she was hoping to pay the City back within a week, but was not able to because she did not have access to the Bitcoin funds. During the interview, Ms. Bosworth explained the checks were cashed and went directly into the Bitcoin ATMs.

Reimbursements Checks – As previously stated, Ms. Bosworth was entitled to reimbursement for expenses related to City operations. Based on conversations with City officials, Ms. Bosworth was eligible for reimbursement if she went to training for mileage. However no per diem, food, or lodging was necessary to be reimbursed because there were no overnights for training. Ms. Bosworth was encouraged to use the City issued credit card for expenses related to training such as registration.

We reviewed all non-payroll checks issued to Ms. Bosworth that were properly approved by the City and had the Mayor's physical signature. We identified Ms. Bosworth received two reimbursement checks totaling \$2,096.94 for the period of March 2020 through March 2025. During our review of the two reimbursements checks issued to Ms. Bosworth, we identified the following:

- A reimbursement dated December 20, 2023 totaling \$96.94 for round trip mileage from McCausland to Marion for a budget workshop. The mileage reimbursement was properly supported, approved by the City Council, and classified as reasonable.
- A reimbursement dated May 13, 2024 totaling \$2,000.00, which according to the City's accounting system was for salary. However, Ms. Bosworth's regular payroll checks were not for the even amount of \$2,000.00. In addition, based on conversations with City officials, we were informed there was an agreement between the City of McCausland and Ms. Bosworth which stated on May 13, 2024 she was to receive a \$2,000.00 advance on her salary. According to the agreement, the advance was to be repaid with Ms. Bosworth upcoming payroll check and the money would be given to the Mayor for deposit to meet the separation of duties requirements. The agreement was signed by Ms. Bosworth and the Mayor. During our review of the City's records and bank statements, we did not identify any instances where Ms. Bosworth repaid the City; therefore, the advance in salary check is considered improper.

As a result, the \$2,000.00 payroll advance issued to Ms. Bosworth is included in **Exhibit A** as improper disbursements.

Checks Issued to Blackhawk Bank and Trust

As previously stated, we scanned all disbursements and redeemed checks from the City's bank account for the period March 1, 2020 through March 31, 2025. The City's bank account was established with Blackhawk Bank and Trust and the City's credit cards were issued from the same bank. As part of our procedures, we reviewed all payments issued to Blackhawk Bank and Trust and we identified certain improper payments to the bank.

We also performed a comparison of payments to Blackhawk Bank and Trust that were issued to pay off the balance in the City's credit card. During our review, we determined there were additional payments to Blackhawk Bank and Trust for a Menard's charge account which was used by the City's maintenance employee and bond payments issued to the City from the bank.

However, we also identified four disbursements which were not for credit card, charge account, or bond payments. These four disbursements issued to Black Bank and Trust are listed in **Table 2**.

Table 2			
Check Date	Check Number	Description	Amount
01/25/24	10135	BLACKHAWK BANK AND TRUST	\$ 1,500.00
02/07/24	10137	BLACKHAWK BANK AND TRUST	2,000.00
08/19/24	10284	BLACKHAWK BANK AND TRUST	500.00
11/22/24	10348	BLACKHAWK BANK AND TRUST	800.00
Total			<u>\$ 4,800.00</u>

During our review of these four disbursements, we identified they were all endorsed by Ms. Bosworth. Copies of these four disbursements are included in **Appendix 1**. According to bank officials, Ms. Bosworth endorsed and cashed the checks. According to City officials we spoke with, the City did not operate in cash and there was no legitimate reason for these checks to be cashed by Ms. Bosworth. For the check dated November 22, 2024, in addition to Ms. Bosworth's endorsement, there was also the signature of a Council member as an endorser of the check. According to the Council member

who was listed as an endorser of the check, he stated “I have only every signed the front of checks with the mayor.”

As a result, the \$4,800.00 of disbursements issued to Blackhawk Bank and Trust are included in **Exhibit A** as improper disbursements.

Credit Card Transactions

As previously stated, Ms. Bosworth and the city maintenance employee were issued credit cards to purchase supplies and other necessary items for City operations. City employees were required to provide copies of receipts or other documentation for the charges made on the credit cards. However, for the period of our review, the City did not have a credit card policy.

According to City officials, Ms. Bosworth received the credit card statements and was responsible for reviewing the charges and ensuring supporting documentation was provided for all credit card charges. In addition, Ms. Bosworth was responsible for preparing a bill listing for the City Council’s review and approval each month.

We obtained copies of the credit card statements for all cards from the City and reviewed available supporting documentation maintained by the City for the purchases made with the credit cards to determine propriety. Purchases were considered improper if the type of item and/or the quantity purchased appeared to be personal in nature or was not reasonable for City operations. When specific purchase information appeared consistent with City operations, based on the item, quantity and/or frequency of the purchase, they were classified as reasonable. When specific purchase information was not available, the purchases were classified as unsupported.

Based on supporting documentation maintained by the City and the nature of goods and services provided by certain vendors, we identified purchases which contained items personal in nature and were not appropriate for City operations or that we consider to be unsupported because sufficient documentation was not available. **Exhibit C** lists the purchases made with the City’s credit card that included items that were not reasonable or necessary for City operations.

As illustrated by the **Exhibit**, we identified \$1,433.44 of improper purchases, which included items such as:

- Eight transactions totaling \$1,343.50 for which Ms. Bosworth obtained cash advances and inquired fees in her City issued credit card. According to City officials, these cash advances were not approved by the Council nor was the cash accounted for in the City’s records.
- One transaction on August 9, 2022 from Armed American in the amount of \$76.99. Although the City did not maintain any support for the transaction, per internet search, the site sells novelty shirts and sticks which do not serve City purpose.
- One transaction on July 26, 2022 from Amazon in the amount of \$12.95 to purchase bird scare spinner rods. According to City officials, the City does not have or ever needed the items purchased.

In addition to the improper purchases, we identified purchases classified as unsupported because sufficient documentation was not available to determine if the purchase was for City operations. The unsupported purchases identified are listed in **Exhibit D**. As illustrated by the **Exhibit**, the unsupported purchases totaled \$2,279.62 and include purchases from Amazon, BITDEFINDER.com, InstantInk, and Bolt Storage. During our review, we discussed these purchases with City officials; however, they could not provide any additional information or documentation.

The \$1,433.44 of improper purchases and the \$2,279.62 of unsupported purchases listed in **Exhibits C** and **D** are included in **Exhibit A**.

OTHER ADMINISTRATIVE ISSUES

Credit Card Finance Charges and Interest Fees – As previously stated, as the City Clerk, Ms. Bosworth was responsible for ensuring all City disbursements were paid in a timely manner. During our review of the credit card statements, we identified interest charges, late fees, and finance charges.

Oversight – City officials have a fiduciary responsibility to exercise authority over its funds, efficiently and effectively achieve its mission, provide oversight of the City's operations, and maintain the public trust. Oversight is typically defined as the "watchful and responsible care" a governing body exercises in its fiduciary capacity. Based on our review, we determined the City officials did not provide sufficient oversight of the City's financial transactions and did not:

- Compare the bill listings to supporting documentation and checks.
- Require and maintain original, itemized receipts for all disbursements, including employee reimbursements, and review the supporting documentation to ensure an appropriate purpose of the disbursements.
- Properly review payroll supporting documentation prior to issuance.
- Review the City's bank statements and credit card statements.
- Request and review all bank reconciliations.

Oversight procedures ensure sufficient controls are in place over items which are susceptible to loss or improper use, such as credit cards. Oversight procedures also ensure timesheets are reviewed in a manner in which hours reported in excess of the amount authorized by the City Council would be identified prior to approval of the timesheet and preparation of the related payroll check.

Recommended Control Procedures

As part of our investigation, we reviewed the processes used by the City of McCausland to perform bank reconciliations and process receipts, disbursements, and payroll. An important aspect of internal control is to establish procedures which provide accountability for assets susceptible to loss from error and irregularities. These procedures provide the actions of one individual will act as a check on those of another and provide a level of assurance errors or irregularities will be identified within a reasonable time during the course of normal operations. Based on our findings and observations detailed below, the following recommendations are made to strengthen the City's internal controls.

- A. Segregation of Duties – An important aspect of internal control is the segregation of duties among individuals to prevent one person from handling duties which are incompatible. The former City Clerk had control over each of the following areas:
- (1) Receipts – opening mail, collecting, posting to the accounting records, and preparing and making bank deposits,
 - (2) Disbursements – making certain purchases, receiving certain goods and services, presenting disbursements to the City Council for approval, maintaining supporting documentation, preparing, signing, and distributing checks, and posting to the accounting records,
 - (3) Payroll – calculating payroll amounts, preparing, signing, and distributing checks, posting payments to the accounting records, and filing required payroll reports,
 - (4) Cash – handling, reconciling, and recording,
 - (5) Information Systems (computer usage) – performing all general accounting functions and controlling all data and output,
 - (6) Bank accounts – receiving and reconciling monthly bank statements to accounting records, and
 - (7) Reporting – preparing City Council meeting minutes and financial reports, and the Annual Financial Report.

Recommendation – We realize segregation of duties is difficult with a limited number of staff. However, the duties within each function listed above should be segregated between other City Clerk, the Mayor, and City Council members. In addition, the Mayor and City Council members should review financial records, perform reconciliations, and examine supporting documentation for accounting records on a periodic basis.

- B. Credit Cards – The City has credit cards for use by the City Clerk as well as other City employees for purchases related to City operations. We determined not all supporting documentation was available for purchases made using the City's credit cards and documentation was not always maintained which identified if individual purchases were for City operations. In addition, we determined the following:
- The City incurred late fees and finance charges because the former City Clerk did not pay the balance on the credit card account each month and/or did not make payments in a timely manner.
 - City Council officials did not review the credit card statements to ensure purchases were for the City and not personal.
 - Credit Card purchases were not approved prior to purchase.

Recommendation – City officials should ensure all credit card purchases are supported by appropriate receipts and the receipts, invoices, or other supporting documentation should be attached to the monthly credit card statement during reconciliation. All purchases should

receive prior approval by City Council. Payments should be remitted in a timely manner to ensure late fees are not incurred. In addition, a timely review of the credit card statements by an independent person should be conducted and the date and initials of the review should be documented on the statement.

C. Disbursements – During our review of the City’s disbursements, the following conditions were identified:

- Disbursements were not consistently supported by invoices or other documentation.
- Not all disbursements were approved by the City Council.

Recommendation – All City disbursements should be approved by the City Council prior to payment, with the exception of those that are routine, repetitive, and specifically allowed by a City Council approved policy. For those disbursements paid prior to City Council approval, a listing should be provided to the City Council at the next City Council meeting for review and approval. To strengthen internal control, each check should be prepared and signed by one person and detailed supporting vouchers and invoices should be provided, along with the check, to an independent individual for review and countersignature.

D. Oversight by City Officials – City officials have a fiduciary responsibility to provide oversight of the City’s operations and financial transactions. Oversight is typically defined as the “watchful and responsible care” a governing body exercises in its fiduciary capacity.

Based on our observations and the procedures we performed, we determined City officials failed to exercise proper fiduciary oversight. The lack of appropriate oversight and the failure to ensure implementation of adequate internal controls permitted an employee to exercise too much control over the operations of the City.

Recommendation – Oversight by City officials is essential and should be an ongoing effort. City officials should exercise due care and review all pertinent information, such as the report previously issued by the Office of Auditor of Stated. City officials should also ensure sufficient information is prepared and provided to them for making decisions and appropriate policies and procedures are adopted, implemented, and monitored to ensure compliance.

For example, bank statements should be delivered to an official who does not collect or disburse City funds and credit card statements should be delivered to an official who does not have access to a City credit card. The bank statements and credit card statements should be reviewed in a timely manner for unusual activity. Bank reconciliations should be performed monthly and reviewed by someone independent of other financial responsibilities. The review should be documented by the signature or initials of the reviewer and the date of the review. In addition, reviews of timesheets should be completed in a thoughtful, thorough manner and any discrepancies resolved prior to approval.

Exhibits

Report on Special Investigation of the
City of McCausland

Summary of Findings
For the Period March 1, 2020 through March 31, 2025

Description	Exhibit/Table/ Page Number	Improper	Unsupported	Total
Improper and unsupported disbursements:				
Checks issued to Sheila Bosworth:				
Unauthorized Checks	Exhibit B	\$ 55,000.00	-	55,000.00
Reimbursements Checks	Page 7	2,000.00	-	2,000.00
Checks issued to Blackhawk Bank	Table 2	4,800.00	-	4,800.00
Credit Card Charges:				
Improper and Unsupported Purchases	Exhibit C and D	1,433.44	2,279.62	3,713.06
Subtotal of improper and unsupported disbursements		63,233.44	2,279.62	65,513.06
Total		\$ 63,233.44	2,279.62	65,513.06

Report on Special Investigation
of the City of McCausland

Unauthorized Checks Issued to Sheila Bosworth
For the Period March 1, 2020 through March 31, 2025

Per Bank Statements			
Check Date	Check Number	Vendor	Amount
02/21/25	10414	Sheila Bosworth	\$ 2,000.00
02/24/25	10415	Sheila Bosworth	2,000.00
02/26/25	10416	Sheila Bosworth	2,000.00
02/28/25	10423	Sheila Bosworth	2,000.00
03/03/25	10427	Sheila Bosworth	2,000.00
03/03/25	10424	Sheila Bosworth	2,000.00
03/03/25	10426	Sheila Bosworth	2,000.00
03/05/25	10429	Sheila Bosworth	2,000.00
03/05/25	10428	Sheila Bosworth	2,000.00
03/06/25	995001	Sheila Bosworth	1,000.00
03/07/25	10430	Sheila Bosworth	2,000.00
03/07/25	10431	Sheila Bosworth	2,000.00
03/10/25	10433	Sheila Bosworth	2,000.00
03/10/25	10432	Sheila Bosworth	2,000.00
03/10/25	10446	Sheila Bosworth	2,000.00
03/10/25	10447	Sheila Bosworth	2,000.00
03/10/25	10445	Sheila Bosworth	2,000.00
03/13/25	10454	Sheila Bosworth	2,000.00
03/13/25	10458	Sheila Bosworth	2,000.00
03/13/25	10453	Sheila Bosworth	2,000.00
03/14/25	10455	Sheila Bosworth	2,000.00
03/14/25	10456	Sheila Bosworth	2,000.00
03/14/25	10457	Sheila Bosworth	2,000.00
03/17/25	10461	Sheila Bosworth	4,000.00
03/17/25	10463	Sheila Bosworth	2,000.00
03/17/25	10462	Sheila Bosworth	4,000.00
			<u>\$ 55,000.00</u>

Report on Special Investigation
of the City of McCausland

Improper Credit Card Purchases
For the Period March 1, 2020 through March 31, 2025

Per Credit Card Statement			
Trans Date	Vendor Name/Description	Amount	Description per Supporting Documentation
04/21/22	5942 24692162110100160066847 AMZN MKTP US 1A0VP4Y62	\$ 12.95	Purchase of Sage Supplies Bird Scare Spinner Rods, Reflective Hanging device for Getting Rid of Woopockers Plageons, Decorative for \$12.95
08/09/22	5691 24492162220000014166976 SP ARMEDAMERICAN NJ	76.99	No Supporting Documentation
03/26/23	6010 74137463083300767690220 CASH ADVANCE CNB CAMANCHE CAMANCHE IA	300.00	Cash advance
03/26/23	6010 74488983085000085080332 CASH FEE / FINANCE CHARGE	10.00	Cash advance fee
12/15/23	6010 74207853348171400309702 CASH ADVANCE CLINTON IA FIRST CENTRAL STATE	250.00	Cash advance
12/15/23	6010 74488983349000349080336 CASH FEE FINANCE CHARGE	10.00	Cash advance fee
12/17/23	6010 74488983351000351080336 CASH FEE / FINANCE CHARGE	13.50	Cash advance fee
12/17/23	6010 74988943349017022253864 CASH ADVANCE CLINTON IA DUTRAC COMMUNITY CU - CLINT	450.00	Cash advance
12/19/23	6010 74207853352173500541617 CASH ADVANCE BETTENDORF IA BLACKHAWK BANK - BETTE	300.00	Cash advance
12/19/23	6010 74488983353000353080332 CASH FEE / FINANCE CHARGE	10.00	Cash advance fee
		<u>\$ 1,433.44</u>	

Report on Special Investigation
of the City of McCausland

Unsupported Credit Card Purchases
For the Period March 1, 2020 through March 31, 2025

Per Credit Card Statement						
Trans Date	Vendor Name/Description	Amount	Description per Supporting Documentation	Unsupported	Reasonable	
12/08/20	9402 24137460343001315281192 USPS PO 1854630494	\$ 105.00	No Supporting Documentation	\$ 105.00	-	
02/04/21	5942 24431061034083716021354 AMAZON.COM * 1513Y1IY3 AMZN AMZN.COM/BILL WA	14.42	No Supporting Documentation	14.42	-	
02/05/21	5942 24692161035100523380988 AMAZON.COM * ZS1WA7093 AMZN.COM/BILL WA	149.28	No Supporting Documentation	149.28	-	
10/01/21	5942 24692161274100626643704 AMZN MKTP US * 2C8032DMO	4.99	No Supporting Documentation	4.99	-	
12/21/21	9402 24137461355600303523268 USPS.COM POSTAL STORE 800-782-6724 MO	1,225.20	Purchase of 2 US Flag #10 PSA Reg Box-500 (500 unit) = \$682.70, 2 Premium Options Fee = \$4.90 ea, Tax or Handling & Shipping/tax = \$18.20, 4 (PstCd) Barns Coll/100 NDN \$40 ea = \$162.00 totaling \$867.80. Remaining amount of \$357.40 for which the City did not have any supporting documentation available.	357.40	867.80	
01/12/22	5942 24692162011100198323483 AMZN MKTP US 6L5DI3TX3	64.81	Purchase of Grocery (Crazy Cups Single serve & K Cups Variety Pack, Including Dark Roast & Medium Roast Pods Variety Pack for Keurlg K) for \$27.44, Office Product (Handmade Wooden Gavel and Block Perfect for Judge, Lawyer, Auction Court, Student) for \$19.99 totaling \$47.43. Remaining amount of \$17.38 for which the City did not have any supporting documentation available.	17.38	47.43	
01/19/22	4816 24692162019100332634458 DNH * GODADDY.COM	17.11	No Supporting Documentation	17.11	-	
01/20/22	4816 24906412019138886965135 DNH * GODADDY.COM	140.98	No Supporting Documentation	140.98	-	
07/17/23	5818 24388943197630165951765 2COCOM BITDEFENDER.COM	106.99	No Supporting Documentation	106.99	-	
07/28/23	5942 24692163208101560991213 AMZN MKTP US T636G2IJO	68.99	No Supporting Documentation	68.99	-	
08/03/23	5942 24692163215106908673036 AMZN MktP US * TA63N7CP2 Amzn.com/bill WA	67.36	No Supporting Documentation	67.36	-	
08/10/23	5111 24692163222102449002299 TONERPIRATE.COM 713- 669-9039 TX	44.88	No Supporting Documentation	44.88	-	
10/08/23	5732 24492153279852656168192 PAYPAL * INSTANTINK 402-935-7733 CA	1.07	No Supporting Documentation	1.07	-	
11/12/23	5732 24492153314852979313399 PAYPAL INSTANTINK	12.71	No Supporting Documentation	12.71	-	
12/08/23	5732 24492153341852191636061 PAYPAL * INSTANTINK	12.71	No Supporting Documentation	12.71	-	

Report on Special Investigation
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Unsupported Credit Card Purchases
For the Period March 1, 2020 through March 31, 2025

Per Credit Card Statement					
Trans Date	Vendor Name/Description	Amount	Description per Supporting Documentation	Unsupported	Reasonable
01/11/24	5732 24492154010852570200818 PAYPAL * INSTANTINK	12.71	No Supporting Documentation	12.71	-
02/07/24	5732 24492154037852656082246 PAYPAL INSTANTINK CA	12.71	No Supporting Documentation	12.71	-
04/08/24	5732 24116414098067187254004 PAYPAL * INSTANTINK	14.83	No Supporting Documentation	14.83	-
04/16/24	5817 24332394107038494419722 2CO.COM KEEP & SHARE	344.54	No Supporting Documentation	344.54	-
05/08/24	5732 24116414128067363002619 PAYPAL INSTANTINK	14.73	No Supporting Documentation	14.73	-
06/17/24	4816 24116414168067905243805 PAYPAL * DROPBOX NY7JWS5ZX	12.83	No Supporting Documentation	12.83	-
07/08/24	PBUS17 24116414189067721125397 PAYPAL * INSTANTINK 402-935-7733 CA	14.83	No Supporting Documentation	14.83	-
07/16/24	PBUS17 24116414195067924749615 PAYPAL DROPBOX PHRWN2LRN	12.83	No Supporting Documentation	12.83	-
07/17/24	PBUS17 24388944198630125656154 2COCOM BITDEFENDER.COM 888-2471614 GA	106.99	No Supporting Documentation	106.99	-
07/19/24	PBUS17 24116414195067924749615 SALES DRAFT - FL	12.83	No Supporting Documentation	12.83	-
07/21/24	PBUS17 414195067924749615 SALES DRAFT REVERSAL - FL	(12.83)	No Supporting Documentation	(12.83)	-
08/08/24	PBUS17 24116414221067920928971 PAYPAL INSTANTINK 402-935-7733 CA	14.83	No Supporting Documentation	14.83	-
08/13/24	PBUS17 24116414226067123882434 PAYPAL DROPBOX ZR6HLYCJ9 402-935-7733 CA	12.83	No Supporting Documentation	12.83	-
09/12/24	PBUS17 24116414255067280651550 PAYPAL INSTANTINK 402-935-7733 CA	14.33	No Supporting Documentation	14.33	-
09/13/24	PBUS17 24116414256067331444111 PAYPAL DROPBOX V1SR3RXP1 402-935-7733 CA	12.83	No Supporting Documentation	12.83	-
09/17/24	PBUS17 24692164261103605163529 TONERPIRATE.COM 713-669-9039 TX	97.68	No Supporting Documentation	97.68	-
10/13/24	PBUS17 24116414285067480486793 PAYPAL * INSTANTINK 402-935-7733 CA	6.46	No Supporting Documentation	6.46	-
10/13/24	PBUS17 24116414287067533104987 PAYPAL * DROPBOX WM9Y929T9 402-935-7733	12.83	No Supporting Documentation	12.83	-

Report on Special Investigation
of the City of McCausland

Unsupported Credit Card Purchases
For the Period March 1, 2020 through March 31, 2025

Per Credit Card Statement					
Trans Date	Vendor Name/Description	Amount	Description per Supporting Documentation	Unsupported	Reasonable
10/22/24	PBUS17 24498514295900018700017 SUPPORTPDFFILLER.COM 855-7501663 MA	2.00	No Supporting Documentation	2.00	-
10/24/24	74498514297900019400016 CREDIT VOUCHER SUPPORTPDFFILLER.COM 855-7501663 MA	(2.00)	No Supporting Documentation	(2.00)	-
11/12/24	PBUS17 24027624316067787981715 PAYPAL * INSTANTINK 402-935-7733 CA	6.94	No Supporting Documentation	6.94	-
11/13/24	PBUS17 24027624317067844332687 PAYPAL DROPBOX QGR7FTZ41 402-935-7733 CA	12.83	No Supporting Documentation	12.83	-
11/21/24	PBUS17 24498514325900010400016 SUPPORTPDFFILLER.COM 855-7501663 MA	192.60	No Supporting Documentation	192.60	-
11/21/24	PBUS17 24240524325157329126614 BOLT STORAGE 866- 300-2658 IL	107.00	No Supporting Documentation	107.00	-
12/03/24	PBUS17 24039824337900019300014 SUPPORTPDFFILLER.COM 855-7501663 MA	0.99	No Supporting Documentation	0.99	-
12/05/24	74039824339900019800016 CREDIT VOUCHER SUPPORT PDFFILLER.COM 855-7501663 MA	(0.99)	No Supporting Documentation	(0.99)	-
12/12/24	74332394347051783141720 CREDIT VOUCHER 2CO.COM * KEEP & SHARE 888-2471614 GA PAYPAL * DROPBOX 3WMLXRDC4 402-935-7733 CA	(22.54)	No Supporting Documentation	(22.54)	-
01/03/25	PBUS17 24039825002900018700017 SUPPORTPDFFILLER.COM 855-7501663 MA	102.72	No Supporting Documentation	102.72	-
01/08/25	PBUS17 24027625007067506154413 PAYPAL * INSTANTINK 402-935-7733 CA	7.41	No Supporting Documentation	7.41	-
01/13/25	PBUS17 24027625012067729224590 PAYPAL * DROPBOX ZMJG9TQ6Z 402-935-7733 CA	12.83	No Supporting Documentation	12.83	-
02/09/25	PBUS17 24027625038067833237249 PAYPAL INSTANTINK 402-935-7733 CA	6.94	No Supporting Documentation	6.94	-
02/13/25	PBUS17 24027625043067052420644 PAYPAL DROPBOX 4XZYX34MH 402-935-7733 CA	12.83	No Supporting Documentation	12.83	-
		<u>\$3,194.85</u>		<u>\$ 2,279.62</u>	<u>915.23</u>

Report on Special Investigation of
City of McCausland

Staff

This review was performed by:

Ryan T. Jelsma, CFE, Manager
Priscilla M. Ruiz Torres, Senior Auditor II
Carla Kelley, CPA, Senior Auditor II

A handwritten signature in black ink, reading "Melissa Finestead". The signature is written in a cursive, flowing style.

Melissa J. Finestead, CFE
Deputy Auditor of State

Appendix

Report on Special Investigation
of the City of McCausland

Endorsement of Checks Issued to Blackhawk Bank and Trust

WARRANT / CHECK CITY OF McCAUSLAND, IOWA P.O. BOX 277 MCCAUSLAND, IOWA 52758		BLACK HAWK BANK & TRUST VOID AFTER 30 DAYS		010135
		CHECK #	DATE	AMOUNT
		10135	1/24/24	**1,500.00
ONE THOUSAND FIVE HUNDRED AND 00/100 DOLLARS				
PAY TO THE ORDER OF	BLACKHAWK BANK AND TRUST 301 W 4TH ST PO BOX 1098 MILAN, IL		BY ORDER OF THE COUNCIL <i>Sheila Bosworth</i> <i>Sh f l</i> AUTHORIZED SIGNATURE	
		61264-1098		

01/24/2024 4:07 PM
Br# 18 Tr# 182 Seq# 2
1,500.00
Processed Next Business Day

Blackhawk B and T #018
2024-01-25

Sheila Bosworth

Report on Special Investigation
of the City of McCausland

Endorsement of Checks Issued to Blackhawk Bank and Trust

WARRANT / CHECK CITY OF McCAUSLAND, IOWA P.O. BOX 277 MCCAUSLAND, IOWA 52758		BLACK HAWK BANK & TRUST VOID AFTER 30 DAYS		010137
TWO THOUSAND AND 00/100 DOLLARS		CHECK # 10137	DATE 2/07/24	AMOUNT **2,000.00
PAY TO THE ORDER OF	BLACKHAWK BANK AND TRUST 301 W 4TH ST PO BOX 1098 MILAN, IL	61264-1098	BY ORDER OF THE COUNCIL <i>Shirley Bonowick</i> <i>Shirley Bonowick</i> AUTHORIZED SIGNATURE	

[REDACTED]

[REDACTED]

02/07/2024 1:52 PM
Br# 18 Tr# 183 Seq# 21
2,000.00

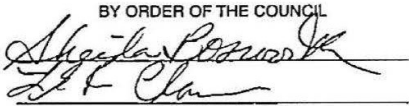
Blackhawk B and T #018
2024-02-07

[REDACTED]

Shirley Bonowick
Approved per phone
call per Lloyd.
Clerk

Report on Special Investigation
of the City of McCausland

Endorsement of Checks Issued to Blackhawk Bank and Trust

WARRANT / CHECK CITY OF McCAUSLAND, IOWA P.O. BOX 277 MCCAUSLAND, IOWA 52758		BLACK HAWK BANK & TRUST VOID AFTER 30 DAYS		010348
EIGHT HUNDRED AND 00/100 DOLLARS		CHECK # 10348	DATE 11/21/24	AMOUNT *****800.00
PAY TO THE ORDER OF	BLACKHAWK BANK AND TRUST 301 W 4TH ST PO BOX 1098 MILAN, IL 61264-1098		BY ORDER OF THE COUNCIL  AUTHORIZED SIGNATURE	



11/21/2024 4:46 PM
Br# 12 Tr# 121 Seq# 1
800.00
Processed Next Business Day