

Fraud Report

Fraud #: F-24-353

Submission Date: 10/24/2024

Entity: Woodland, City of

Dashboard

Short Description: personal purchases by mayor

Investigation Status: Closed

Assigned Team: Vancouver

Assigned PM:

PR Request ID's:

Public Records Request: No

Assignment Notes:

Detection Method: SAO Audit

Entity: 0271

Total Budget:

Team Budget:

Audit Number:

Audit Documentation: TM File

TM Project Code:

Ok to release/bill time: No

Primary Loss Type: Purchase Card

Loss Type Notes or Sub Category:

Cyber Loss Category: --

Cyber Cause: --

This case contains sensitive information: No

Which tab or attachment contains sensitive information?

Results: Accountability finding

Closed Date: 12/31/2024

Inactivate: No

Inactive Notes:

Contact

Created By:

Name: Nicholas Hoeft

Title: Assistant Audit Manager

Phone: 360984-4802

Email: nicholas.hoeft@sao.wa.gov

Assignment Notes:

Paw and Plan

Loss Notification Date: 10/24/2024

PAW Assignment Date:

Initial Contact with Entity Date:

Assessment Completion Date:

Reviewing Team: Vancouver

Team Review Date:

Fraud Team Review Date:

Please describe, if we did not meet 5 and 10 day requirements:

Action/Next Step:

Outcome

Exit conference date: 12/19/2024

Exit conference attendees: All City council members

Misappropriation assigned amount: 3965

Name and title of responsible party: Mayor

Misappropriation unassigned amount:

Questionable amount: 7176

Misappropriation recovery amount: 3385

Loss Amount:

Cyber recovery Amount:

Final audit cost:

Audit report number:

Audit report issue date:

Other case # s reported with this one:

Restitution

SAO Approval Date:

SAO Approval Initials:

AG Approval Date:

SAO Approval Initials:

Amount Approved:

Point of Contact:

Contacted PA Date:

Post audit PA/LE/FBI contact notes:

Activity Log

Date	Entry
10/25/2024	'Short Description' field updated, 'Detection Method' field updated from '--' to 'SAO Audit', 'Audit Documentation' field updated from '--' to 'TM File', 'Phone' field updated by sullivans
10/25/2024	No PAW. Team identified concerns during current acct audit. Will setup meeting with team to discuss next steps. (sullivans)
10/25/2024	'Investigation Status' field updated from 'Pre-Triage' to 'Assessment/PAW' by sullivans
11/12/2024	Reviewed draft FI sent comments and track changes back to team to address and also asked to review TM file when ready. (sullivans)
11/12/2024	'Investigation Status' field updated from 'Assessment/PAW' to 'Fieldwork' by sullivans
11/13/2024	Status Update: Team is following up with client to request additional communications/emails about the charges and what the subject did or did not pay back, and if he agreed to any amounts. (lycana)
12/11/2024	'Investigation Status' field updated from 'Fieldwork' to 'Reporting' by sullivans
12/11/2024	Status Update: Exit scheduled and finding in ARL for review. (lycana)
12/19/2024	Attachment added
12/19/2024	Exited with City on 12/19 and provided the final draft finding to the City and sent to all council members. Attached copy into fraud database. This is ready to close (wynng)
12/31/2024	The former Mayor made personal purchases totaling \$3,965 between March 2022 and November 2023. While the City s monitoring procedures identified \$3,820 of the personal charges, the City only recovered \$3,385 as of the time of this report, with \$580 remaining to be recovered. Additionally, we summarized \$7,176 in questionable credit card purchases. (sullivans)
12/31/2024	'Exit conference date' field updated from "" to '12/19/2024', 'Exit conference attendees' field updated from "" to 'All City council members', 'Misappropriation assigned amount' field updated from "" to '3965', 'Name and title of responsible party' field updated from "" to 'Mayor', 'Questionable amount' field updated from "" to '7176', 'Misappropriation recovery amount' field updated from "" to '3385' by sullivans
12/31/2024	'Results' field updated from '--' to 'Accountability finding' by sullivans
12/31/2024	'Investigation Status' field updated from 'Reporting' to 'Closed', 'Closed Date' field updated from "" to '12/31/2024' by sullivans

Initial Loss Report

Department/area of concern: City Hall / Credit Cards

What is the suspected loss or illegal activity? 580.03

Start: 01/01/2023

End: 12/31/2023

What type of issue are you reporting? Purchase Card

What type of cyber concern are you reporting? --

What was the cause of initial attack vector for the cyber loss? --

Please describe the type of issue:

Please describe the amount of loss: \$580.03 is the amount of personal expenses the City's former mayor purchased on his City credit card without reimbursing. \$2,314.79 is the amount of personal expenses the City's former mayor purchased on his City credit card and did eventually reimburse the City for. In addition, to using the card the clear personal use the City's former mayor also spent \$7,163.84 on purchases that were not valid for City purpose.

Please describe the suspected loss of illegal activity: SUBMITTED DESCRIPTION: The City's former mayor used his City issued credit card for coffee, food, golf, events, and personal use. the former mayor abused his position and used his credit card when working in official acts but not for a valid purpose. Additionally, documentation of what is considered an official act was not clear and likely could be considered additional personal spending.

How was the suspected loss or activity detected? Through SAO audit. But also previous citizen concerns have pointed out the reimbursed personal spending.

Is an investigation in progress? No

If an investigation by management, law enforcement or others underway, who is in charge of this investigation?

What actions have you taken to date, if any? currently performing an SAO audit of credit card activity

Are there any dedications of employee involvment? the City's previous Mayor William Finn.

Name and/or title of employee that have been involved in (responsible for) the loss.

Is this person still employed by the agency? No

Describe the employee's job responsibilities and areas or functions the employee has/had access to:

Have any restitution agreements been signed? No

Has a police report been filed? No

Do you have a copy? No

Who at the entity is aware this concern is being reported? The Liaison for the audit - Amanda Hougan, City clerk