



**OFFICE OF AUDITOR OF STATE**  
**STATE OF IOWA**

State Capitol Building  
Des Moines, Iowa 50319-0004

Telephone (515) 281-5834 Facsimile (515) 242-6134

Mary Mosiman, CPA  
Auditor of State

**NEWS RELEASE**

Contact: Mary Mosiman  
515/281-5835  
or Tami Kusian  
515/281-5834

FOR RELEASE \_\_\_\_\_ October 1, 2014

Auditor of State Mary Mosiman today released a report on a special investigation of the Mahaska County Soil and Water Conservation District (District) for the period March 24, 2006 through August 31, 2013. The special investigation was requested by officials of the Iowa Department of Agriculture (IDALS) as a result of concerns regarding the appropriate use of funds provided to the District. IDALS provides technical support to the 100 soil and water conservation districts across the state and provides funding for certain projects administered by the districts.

Mosiman reported the special investigation identified \$279,344.58 of improper disbursements and undeposited collections. The improper disbursements of \$242,103.53 include \$241,248.08 of cash withdrawn from the District's accounts on 135 occasions. The withdrawal amounts ranged from \$62.08 to \$4,600.00. Supporting documents were obtained from the bank for 113 of the 135 withdrawals. Jessica Strasser's name is included on 112 of the 113 documents as the individual who withdrew the cash. Ms. Strasser, the former Secretary for the District, was an IDALS employee assigned to the District. She resigned from IDALS on August 9, 2013.

Mosiman also reported the improper disbursements identified include \$799.45 of penalty, interest, and fees for state and federal payroll tax and \$56.00 of bank fees.

The \$37,241.05 of undeposited collections includes checks issued to the District which were redeemed for cash or cash withheld from checks being deposited. Mosiman reported it was not possible to determine if additional collections were not properly deposited because adequate records for receipts were not available.

Mosiman also reported the District owed over \$5,000.00 as of April 30, 2014 for retirement contributions.

The report includes a summary of changes implemented by IDALS in August 2013 as a result of the concerns identified. The report also includes recommendations to strengthen the District's

internal controls and overall operations, such as improving segregation of duties and bank reconciliations prepared by a party independent of other financial duties.

Copies of the report have been filed with the Mahaska County Attorney's Office, the Attorney General's Office, the Division of Criminal Investigation, and the U.S. Department of Agriculture Office of Inspector General. A copy of the report is available for review in the Office of Auditor of State and on the Auditor of State's website at: <http://auditor.iowa.gov/specials/1360-0090-BE00.pdf>.

###

**REPORT ON SPECIAL INVESTIGATION  
OF THE  
MAHASKA COUNTY SOIL AND WATER  
CONSERVATION DISTRICT  
FOR THE PERIOD  
MARCH 24, 2006 THROUGH AUGUST 31, 2013**

## Table of Contents

	<u>Page</u>
Auditor of State's Report	3-4
Investigative Summary:	
Background Information	5-7
Detailed Findings	7-16
Recommended Control Procedures	17-18
Exhibits:	<u>Exhibit</u>
Summary of Findings	A 21
Comparison of Cash Withdrawn and Withheld from the District's Bank Accounts to Cash Deposits in Jessica Strasser's Personal Bank Accounts	B 22-43
Staff	44
Appendices:	<u>Appendix</u>
Copy of Letter from Jessica Strasser	1 47
Copies of Selected Cash Withdrawal Documents	2 48-49
Copies of Selected Deposit Documents for Jessica Strasser's Personal Bank Accounts	3 50-53
Copies of Check Numbers 1182 and 1183	4 54-55
Copies of Deposit Slip, State of Iowa Warrants, and Cash Out Tickets	5 56-59
Copy of Check from Commissioner	6 60
Copy of Memo to All Soil and Water Conservation Districts	7 61



**OFFICE OF AUDITOR OF STATE  
STATE OF IOWA**

Mary Mosiman, CPA  
Auditor of State

State Capitol Building  
Des Moines, Iowa 50319-0004

Telephone (515) 281-5834 Facsimile (515) 242-6134

Auditor of State's Report

To the Honorable Bill Northey, Secretary of the Iowa Department  
of Agriculture and Land Stewardship, and the Commission  
Members of the Mahaska County Soil and Water Conservation District:

As a result of concerns regarding certain transactions and at your request, we conducted a special investigation of the Mahaska County Soil and Water Conservation District (District). We have applied certain tests and procedures to selected financial transactions of the District for the period March 24, 2006 through August 31, 2013. Based on a review of relevant information and discussions with District officials and staff, we performed the following procedures:

- (1) Evaluated internal controls to determine whether adequate policies and procedures were in place and operating effectively.
- (2) Interviewed Commission members, contract employees, federal employees, and related staff who worked in the building to obtain an understanding of District operations. We also interviewed representatives of State agencies who provided funding to the District.
- (3) Reviewed activity in bank accounts held by the District to identify any unusual activity.
- (4) Scanned images of checks redeemed from the District's bank accounts for reasonableness. We examined certain disbursements to determine if they were appropriate for the District's operations.
- (5) Examined deposits to the District's bank accounts to determine the source, purpose and propriety of each deposit and to determine if deposits were made intact.
- (6) Confirmed payments to the District by the State of Iowa and Conservation Districts of Iowa to determine if they were properly deposited to the District's bank accounts in a timely manner.
- (7) Reviewed available minutes and bill listings to identify significant actions taken by the Commission and to determine if certain payments were properly approved.
- (8) Obtained and reviewed personal bank statements for accounts held at certain financial institutions by Jessica Strasser, the District's former secretary, to identify the source of certain deposits. We also reviewed disbursements from the accounts to determine if any payments were made to the District.
- (9) Evaluated internal controls at the Poweshiek County Soil and Water Conservation District where Ms. Strasser was the secretary and reviewed activity in the District's bank accounts to identify any potential concerns regarding the District's financial transactions.
- (10) Interviewed Ms. Strasser with the assistance of law enforcement to obtain additional information about District transactions.


These procedures identified \$279,344.58 of improper disbursements and undeposited collections. We were unable to determine if additional collections were not properly deposited


because adequate records for receipts were not available. Several internal control weaknesses were also identified. Our detailed findings and recommendations are presented in the Investigative Summary and **Exhibits A** and **B** of this report.

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

Copies of this report have been filed with the Mahaska County Attorney's Office, the Attorney General's Office, the Division of Criminal Investigation, and the U.S. Department of Agriculture Office of Inspector General.

We would like to acknowledge the assistance and many courtesies extended to us by the officials and personnel of the Mahaska County Soil and Water Conservation District, the Division of Criminal Investigation, and the U.S. Department of Agriculture Office of Inspector General during the course of our investigation.

  
MARY MOSIMAN, CPA  
Auditor of State

  
WARREN G. JENKINS, CPA  
Chief Deputy Auditor of State

September 4, 2014

Report on Special Investigation of the  
Mahaska County Soil and Water Conservation District  
Investigative Summary

**Background Information**

There are 100 soil and water conservation districts (SWCDs) across the state, with 2 in Pottawattamie County and 1 in each of the remaining 98 counties. Each SWCD is governed by 5 Commissioners who are elected at the general elections on a non-partisan basis for four-year terms. SWCDs have the authority to:

- Conduct surveys, investigations, and research about soil erosion, sediment damages, floodwater, and develop or implement preventative control measures,
- Conduct demonstration projects,
- Cooperate or enter into agreements with, and furnish financial or other aid to government or other agencies, or any owner or occupant of land within the district to carry out erosion control and watershed protection,
- Obtain options and acquire property, rights or interests; maintain, administer, and improve properties; and receive income from such properties and expend income to carry out conservation activities,
- Accept donations, gifts, and contributions to carry on District operations,
- Encourage local school districts to provide instruction about soil conservation as part of course work relating to natural resources conservation and environmental awareness,
- Develop comprehensive plans to conserve natural resources including controlling and preventing soil erosion, and
- Help administer cost share for conservation practices in the county.

SWCDs serve as local sponsors for watershed projects, resource conservation and development areas, and soil surveys. They are legal subdivisions of state government and work closely with local groups and organizations, state, and federal agencies. Key to this partnership are the Iowa Department of Agriculture and Land Stewardship - Division of Soil Conservation (IDALS-DSC) and the U.S. Department of Agriculture - Natural Resources Conservation Service (USDA-NRCS).

IDALS-DSC provides technical support and secretarial staff to SWCDs and helps administer state and local programs. The USDA-NRCS works through SWCDs, providing technical soil conservationists and other natural resource specialists as well as office space for local districts. Other partners include the Conservation Districts of Iowa (CDI), USDA Farm Services Agency, USDA Rural Development, State Soil Conservation Committee, Iowa Department of Natural Resources (DNR), County Conservation Boards, County Boards of Supervisors, drainage districts and levee districts.

As previously stated, IDALS-DCS provides staff support to all 100 SWCDs in Iowa. The efforts of these staff support the combined soil and water conservation mission of the SWCDs, the State of Iowa, and the USDA-NRCS. Each SWCD is unique in the resource conservation problems it addresses and the way it chooses to package and deliver programs to landowners,

farm operators, and local communities. Decisions regarding the packaging and delivery of programs are made by each SWCD's Commission members who are locally elected.

Jessica Strasser was an IDALS employee who provided staff support to the Mahaska County Soil and Water Conservation District (District). She began employment on March 24, 2006. District staff members referred to Ms. Strasser as the secretary. As the District secretary, she was responsible for:

- 1) Receipts – collecting, posting to the accounting records and preparing and making bank deposits,
- 2) Disbursements – making certain purchases, receiving certain goods and services, presenting proposed disbursements to the Commission, maintaining financial information for approved conservation projects, maintaining supporting documentation, preparing, signing and distributing checks, and posting disbursements to the accounting records,
- 3) Payroll – preparing, signing, and distributing payroll checks based on calculations provided by an independent CPA firm, remitting payroll taxes and retirement benefits in a timely manner, and posting payroll information to the accounting records,
- 4) Bank accounts – reconciling monthly bank statements to accounting records, and
- 5) Reporting – preparing minutes of Commission meetings and financial reports.

The District employed 2 technicians to facilitate the administration of certain conservation projects. Ms. Strasser provided administrative support to the technicians. Ms. Strasser also spent a portion of each week performing the secretary's duties for the Poweshiek County Soil and Water Conservation District (PCSWCD). While she acted as the secretary for PCSWCD, she did not prepare checks for PCSWCD and PCSWCD Commissioners reviewed the monthly bank statements.

The District's primary revenue sources include funds received from IDALS, DNR and CDI for conservation projects. Funds are also received from IDALS for Commission operations. In addition, the District periodically sells seeds, trees, and rain barrels.

All disbursements are to be approved by the Commission at monthly meetings. In addition, all disbursements are to be made by checks signed by the District's secretary. The District maintains 4 checking accounts at a local bank. The accounts are referred to as the Payroll Account, Revolving Account, Commissioners' Account and Watershed Improvement Review Board (WIRB) Account.

Monthly statements for the District's bank accounts are mailed directly to the District office where they are opened by the secretary. Bank statements and check images are not periodically reviewed by members of the Commission or the Treasurer, and Commission members were unable to determine if bank statements had been reconciled to the accounting system.

In November 2012, a representative of DNR sent a letter to the District requesting a \$65,948.34 payment for the District's share of recently completed work for a conservation project. As the secretary, it was Ms. Strasser's responsibility to request the Commission's approval of the payment, prepare a check for the approved payment, and remit the payment to DNR in a timely manner. However, the request for payment was not made in a timely manner. Because DNR officials were not able to collect the funds after several attempts, a representative of IDALS who was visiting the District office in July 2013 requested Ms. Strasser prepare a check which he would personally deliver to DNR. Ms. Strasser prepared a check for the requested amount, but



she stopped payment on the check before it could be deposited by DNR. If she had not stopped payment, the check would have been returned for insufficient funds.

Because Ms. Strasser stopped payment on the check, IDALS officials became concerned about the District's financial operations. IDALS officials suspended Ms. Strasser's employment on August 8, 2013. She subsequently resigned effective August 9, 2013.

In addition, IDALS officials requested the Office of Auditor of State perform an investigation of the District's financial transactions. As a result, we performed the procedures detailed in the Auditor of State's Report for the period March 24, 2006 through August 31, 2013.

### **Detailed Findings**

These procedures identified \$279,344.58 of improper disbursements and undeposited collections. We were unable to determine whether additional collections were not properly deposited because adequate records for receipts were not available.

The \$242,103.53 of improper disbursements identified include \$241,248.08 of cash withdrawals, \$799.45 of penalty, interest, and fees for state and federal payroll tax and \$56.00 of bank fees. The \$37,241.05 of undeposited collections identified consist of checks issued to the District which were redeemed for cash or cash withheld from checks being deposited.

As previously stated, IDALS officials suspended Ms. Strasser's employment on August 8, 2013. Subsequent to her suspension, a letter was received by the District office which indicated it was from Ms. Strasser, although it was not signed. A copy of the letter is included in **Appendix 1**. As illustrated by the **Appendix**, Ms. Strasser did not specify her actions in the letter, but the letter stated, "My actions are not excusable and I take full responsibility for them." During an interview held with an agent of the Division of Criminal Investigation (DCI) in July 2014, Ms. Strasser admitted she made unauthorized cash withdrawals from the District's bank accounts and withheld cash from some deposits made to the District's bank accounts.

All findings are summarized in **Exhibit A** and a detailed explanation of each finding follows.

### **IMPROPER DISBURSEMENTS**

According to Commissioners we spoke with, payment of District obligations should have been made with a check and District business should not have been conducted in cash. During the interview with Ms. Strasser, she stated she did not pay District expenses with cash. We reviewed bank statement activity for the District's bank accounts for the period March 24, 2006 through August 31, 2013 and identified a number of unusual disbursements.

Supporting documentation was not available for all disbursements from the District's checking accounts. As a result, we reviewed images of bank documents for all disbursements from the District's 4 checking accounts, such as checks and cash withdrawal documents. The checks issued from the accounts included typical operating expenditures, such as payments for cell phone service, postage, supplies, and reimbursements to Commissioners. We also discussed certain disbursements with Commissioners to determine if they were appropriate. The Commissioners did not have any concerns regarding the disbursements we discussed with them.

According to Commissioners we spoke with, Ms. Strasser was to prepare a listing of bills to be approved by the Commission at its meetings. However, she did not provide the invoices or supporting documentation along with the listings. The improper disbursements identified are explained in more detail in the following sections of this report.

As previously stated, Ms. Strasser also spent a portion of her time as the secretary of PCSWCD. We reviewed PCSWCD's bank statements and did not identify any unusual disbursements. We also spoke with PCSWCD Commissioners to obtain an understanding of the internal controls in place at PCSWCD. According to the Commissioners we spoke with and images of the checks we reviewed, Ms. Strasser did not prepare disbursements for PCSWCD. Checks were signed by a Commissioner. In addition, the Commissioners received and reviewed bank statements. As a result of the procedures we performed, we determined additional testing of Poweshiek County Soil and Water Conservation District transactions was not necessary.

**Cash Withdrawals** – During our review of the bank statements for the District's 4 checking accounts, we identified a number of cash withdrawals made from the accounts. As stated previously, payment of District obligations should have been made with a check and District business should not have been conducted in cash. According to the Commissioners we spoke with, there would not be a reason to withdraw cash from the District's bank accounts except for a small amount of cash to be used as change when the Commission sold popcorn at the Mahaska County Fair each year.

The cash withdrawals identified from the District's 4 checking accounts are summarized by fiscal year in **Table 1**. The individual cash withdrawals identified are also included in **Exhibit B**, along with \$37,241.05 of collections not properly deposited to the District's bank accounts.

**Table 1**

<b>Time Period</b>	<b>Number of Cash Withdrawals</b>	<b>Amount</b>
03/24/06 – 06/30/06	-	\$ -
07/01/06 – 06/30/07	22	19,750.00
07/01/07 – 06/30/08	-	-
07/01/08 – 06/30/09	14	14,900.00
07/01/09 – 06/30/10	27	34,300.00
07/01/10 – 06/30/11	29	68,536.00
07/01/11 – 06/30/12	18	44,900.00
07/01/12 – 06/30/13	23	53,362.08
07/01/13 – 08/31/13	2	5,500.00
Total	135	\$ 241,248.08

The cash withdrawals were identified by descriptions of the transactions in the monthly bank statements. In addition, for withdrawals after July 1, 2008, we were able to review the related supporting documents obtained from the bank. The bank was unable to readily provide supporting documents for cash withdrawals prior to July 1, 2008.

The documents provided by the bank include checking withdrawal slips and a teller cash out ticket. For the \$1,500.00 cash withdrawal made on December 7, 2009, we observed a teller cash out ticket. The cash out ticket did not include Ms. Strasser's name or signature. However, for each of the remaining cash withdrawals made after July 1, 2008, we observed a checking withdrawal slip which included Ms. Strasser's name in the signature portion of the document. Copies of selected cash withdrawal documents are included in **Appendix 2**.

As previously stated, Ms. Strasser was responsible for disbursements from the District's 4 checking accounts, for reviewing the bank statements for the 4 accounts, and for reconciling the bank statements to the District's accounting records. According to the Commissioners we spoke with, no one else reviewed the bank statements. As a result, no one identified the numerous cash withdrawals made from the District's bank accounts between July 1, 2006 and August 31, 2013.

As illustrated by **Table 1**, we did not identify any cash withdrawn from the District's bank accounts from July 1, 2007 through June 30, 2008. As illustrated by **Exhibit B**, the last cash withdrawal amount in 2007 was for \$750.00 on June 25, 2007. The next time cash was withdrawn from a District account was on October 16, 2008. During an interview with Ms. Strasser, she stated that was probably a period when her husband was not deployed. She stated, "When he was gone or we were preparing for another deployment, I wasn't okay."

The **Table** also illustrates the amount of cash withdrawn each year was an even dollar amount, except for the period between July 1, 2012 and June 30, 2013. As illustrated by **Exhibit B**, \$62.08 was withdrawn in cash from a District bank account on October 26, 2012.

Documents obtained from the bank show a \$62.08 check payable to the District was deposited to the account on the same day the \$62.08 cash withdrawal was made. Ms. Strasser's name appeared on the signature line of the related checking withdrawal document. According to a bank representative, the check payable to the District was deposited immediately preceding the \$62.08 cash withdrawal. While some banks and/or tellers will let customers redeem a check outright, other banks and/or tellers require the check to be deposited then a cash withdrawal may be made from the account to which the check was deposited. It is possible Ms. Strasser was required by the bank teller to deposit the check rather than redeem it outright.

When we reviewed an image of the \$62.08 check, we determined it was dated April 11, 2012. However, it was not deposited until October 26, 2012. It's not apparent why the check was held for more than 6 months before it was deposited and Ms. Strasser was unable to provide an explanation. Because sufficient records were not available, we are not able to identify any additional checks which were not deposited in a timely manner.

As illustrated by the cash withdrawals listed in **Exhibit B**, the remaining cash withdrawals ranged from \$400.00 to \$4,600.00. According to the Commissioners we spoke with, the amount of cash needed for change at the annual county fair would have been \$100.00 or less.

The \$241,248.08 of cash withdrawals from the District's bank accounts are included in **Exhibit A** as improper disbursements and the individual cash withdrawals are listed in **Exhibit B** which also includes collections not properly deposited to the District's bank accounts, as discussed in a subsequent section of this report. **Exhibit B** also compares the individual amounts to cash deposits to Ms. Strasser's personal bank accounts.

We obtained and reviewed bank statements for personal accounts held by Ms. Strasser to identify the source of certain deposits. During our review, we identified a number of cash deposits to Ms. Strasser's personal bank accounts. While most of the cash deposits identified were to a joint checking account Ms. Strasser held with her husband, some of the deposits were to other accounts she held jointly with her husband or to accounts held in her children's names for which she was listed as a co-owner.

**Exhibit B** compares the cash deposits identified to the undeposited collections or cash withdrawn from the District's bank accounts. As illustrated by **Exhibit B**, we identified \$240,747.41 of cash deposits to Ms. Strasser's personal bank accounts. We also identified a limited number of cash deposits which are not included in the **Exhibit**. The deposits not included were for small, odd amounts and did not appear similar in nature to the deposits listed in **Exhibit B**.

The **Exhibit** illustrates on a number of occasions the amount of cash deposited to Ms. Strasser's personal bank accounts was the exact same amount of cash withdrawn from or withheld from deposits to the District's bank accounts on the same day or in the days preceding the deposit.

As illustrated by **Exhibit B**, with only a very few exceptions, the cash deposited to Ms. Strasser's personal bank accounts were in even dollar amounts. The amounts of cash deposited ranged from \$50.00 to \$4,000.00. However, the \$50.00 deposits were part of a number of deposits made to multiple accounts on the same day. The smallest total deposit to Ms. Strasser's personal bank accounts on a single day was \$140.00.

Copies of selected deposit slips to Ms. Strasser's personal bank accounts are included in **Appendix 3**.

**Payroll** – As previously stated, the District employed 2 technicians for an extended time to facilitate the administration of certain conservation projects. During the period of our investigation, the District also employed a limited number of other employees for shorter periods.

While Ms. Strasser prepared payroll checks, she prepared them based on information obtained from a local CPA firm engaged by the District to prepare payroll records. We spoke with a representative of the CPA firm who stated Ms. Strasser provided the number of hours worked by employees each pay period and any changes in hourly pay rates. The CPA firm then used its software to calculate the gross amount of pay and the related withholdings and net pay. The representative also stated the CPA firm prepared W-2s for employees and the periodic 941 reports.

According to the representative, the firm faxed a copy of each pay period's payroll register to Ms. Strasser who was responsible for preparing individual payroll checks. Ms. Strasser was also responsible for making payments to the Internal Revenue Service (IRS), the Iowa Department of Revenue, and IPERS for amounts withheld from the employees' gross pay and the related employer's share of payroll costs.

Using information obtained from the CPA firm, we determined the payroll checks Ms. Strasser prepared for District employees agreed with the payroll register prepared by the CPA firm. We also traced the amounts Ms. Strasser remitted to the IRS and the Iowa Department of Revenue to the payroll registers prepared by the CPA firm. In addition, we traced the amounts Ms. Strasser remitted to IPERS to the IPERS reports she prepared. Because she was responsible for preparing the IPERS reports, we traced the gross wages included in the IPERS reports to the payroll registers prepared by the CPA firm.

We did not identify any concerns with the amounts Ms. Strasser remitted to the employees, the IRS, the Iowa Department of Revenue, or IPERS. However, we determined Ms. Strasser did not consistently remit payroll obligations in a timely manner. By reviewing information obtained from IPERS, we determined the District has been assessed \$271.00 of late fees and \$320.00 of interest charges. Of these amounts, the District had paid \$250.25 and \$280.00, respectively, as of September 1, 2013.

Because it was Ms. Strasser's responsibility to remit payments in a timely manner to avoid District funds being used for late fees and interest charges, the \$530.25 of late fees and interest charges paid by the District are included in **Exhibit A** as improper disbursements.

We also learned from a representative of IPERS that wage reports were not filed for July and August 2013 even though contributions were withheld from the District employees' wages for these months. In addition, the amounts withheld from the employees' gross pay for FICA, federal withholding tax, state withholding tax, IPERS contributions, and the related employer's share of these payroll costs were not remitted to the respective agencies.

Because the District did not remit state withholding tax in a timely manner, the Iowa Department of Revenue implemented a process referred to as the offset program. In accordance with the offset program provisions, in April 2014 the Iowa Department of Revenue seized a payment issued by IDALS to the District. Of the payment for \$2,520.00, \$596.61 was seized by the Iowa Department of Revenue to satisfy unpaid state withholding tax of \$549.00 and \$47.61 of penalty, interest, and a fee. The remaining \$1,923.39 was released to the District.

In addition, the IRS placed a levy on the District's bank accounts for unpaid federal payroll tax. On August 25, 2014, the District received a letter from the bank advising \$2,058.47 had been

taken from the District's accounts. Of this amount \$1,836.88 was for the unpaid federal payroll tax and \$221.59 was penalty, interest, and the related fee. The \$269.20 of penalties, interest, and fees paid by the District for state and federal payroll tax is included in **Exhibit A** as improper disbursements.

The payroll obligations not remitted by the District as of August 31, 2014 are summarized in **Table 2**.

<b>Table 2</b>	
<b>Payment Due To</b>	<b>Amount</b>
IPERS	\$ 5,083.10
Iowa Workforce Development	167.20
Total	<u>\$ 5,250.30</u>

Because the District owes these amounts for authorized payroll amounts and they were properly calculated, we have not included any of the unpaid payroll obligations in **Exhibit A**. The District's financial condition does not allow it to pay these obligations at the current time.

**Bank Service Fees** – As previously stated, a representative of DNR sent a letter to the District in November 2012 requesting a \$65,948.34 payment for the District's share of recently completed work for a conservation project. As the secretary, it was Ms. Strasser's responsibility to request the Commission's approval of the payment, prepare a check for the approved payment, and remit the payment to DNR in a timely manner. However, the request for payment was not made in a timely manner.

We obtained a copy of a \$65,948.34 check Ms. Strasser prepared and sent to DNR in May 2013. Check number 1182 was dated May 8, 2013 and was issued from the District's WIRB checking account. The copy was attached to a copy of the letter DNR sent to the District in November 2012. The letter had a "received" date stamp of May 13, 2013. A copy of check number 1182 is included in **Appendix 4**.

By reviewing the WIRB checking account's May bank statement, we determined a stop payment order was applied to check number 1182 on May 13, 2013. The District incurred a \$28.00 service fee for the stop payment.

On June 3, 2013, a DNR representative sent a letter to the District regarding check number 1182 which was returned to DNR as unpaid. The letter stated "DNR assesses a \$20 service fee for each check that is returned as unpaid. Please correct this deficiency by remitting a cashier's check or money order in the amount of \$65,968.34 within 3 weeks of the date of this letter."

A cashier's check was not issued to DNR. However, an IDALS representative who was visiting the District's office in July 2013 requested Ms. Strasser prepare a check which he would personally deliver to DNR. Ms. Strasser prepared check number 1183, dated July 19, 2013, for \$65,948.34 and provided it to him for delivery to DNR. However, she stopped payment on the check before it could be deposited by DNR. A copy of check number 1183 is included in **Appendix 4**.

By reviewing the WIRB checking account's July bank statement, we determined a stop payment was applied to check number 1183 on July 23, 2013. The District incurred a \$28.00 service fee for the stop payment.

The balance available in the WIRB checking account on May 8, 2013 and July 19, 2013 was \$461.78 and \$412.62, respectively. It is apparent check numbers 1182 and 1183 would have been returned to DNR because of insufficient funds if Ms. Strasser had not applied a stop

payment to them. Because the District did not have sufficient funds, the payment had not been made to DNR by September 4, 2014.

The \$56.00 of bank fees incurred by the District for the stop payment orders on the 2 checks is included in **Exhibit A** as improper disbursements.

### UNDEPOSITED COLLECTIONS

As previously stated, the District's primary revenue sources include funds received from IDALS, DNR, and CDI for conservation projects. Funds are also received from IDALS for Commission operations. In addition, the District periodically sells seeds, trees, and rain barrels. The District also sells popcorn at the annual Mahaska County Fair. We reviewed documentation related to these revenue sources to determine if collections were properly deposited.

**State of Iowa** – The majority of the District's revenues are from IDALS and DNR, which are both State agencies. As a result, all payments from IDALS and DNR are issued from bank accounts administered by the State Treasurer. We confirmed all payments to the District by the State of Iowa and determined not all payments were properly deposited to the District's checking accounts.

A number of the payments from IDALS and DNR were remitted electronically and were directly deposited to the District's bank accounts. These payments were properly deposited. However, a paper warrant was periodically issued to the District rather than an electronic payment. When we attempted to trace the paper warrants to deposit in the District's bank accounts, we determined the payments listed in **Table 3** were not properly deposited.

Table 3			
Per the Warrant			Undeposited Collections
Warrant Number	Issue Date	Amount	
64536053	10/19/10	\$ 1,878.50	1,000.00
65467287	09/17/12	885.00	885.00
Total			\$ 1,885.00

The deposit slip for the \$1,878.50 check shows \$1,000.00 of cash was withheld from the November 3, 2010 deposit to the District's Payroll Account. The deposit slip also includes Ms. Strasser's name in the portion to be signed if cash is received. The remaining \$878.50 was deposited to the District's bank account. Copies of the deposit slip and related documents are included in **Appendix 5**.

According to a bank representative, the \$885.00 warrant was redeemed for cash on October 5, 2012. The related teller cash out ticket did not include a name or signature, but the back of the warrant included Ms. Strasser's name as the endorser. Copies of the warrant and the related teller cash out ticket are included in **Appendix 5**.

The \$1,885.00 of collections from the State of Iowa which were not properly deposited in the District's bank accounts are included in **Exhibit A** as undeposited collections.

The amounts not properly deposited to the District's bank accounts are included in **Exhibit B**. The \$878.50 portion of warrant number 64536053 was deposited to the District's Payroll Account and \$1,000.00 of cash was withheld on November 3, 2010. As illustrated by **Exhibit B**, Ms. Strasser also deposited \$1,000.00 of cash to her personal bank account on November 3, 2010. **Exhibit B** also illustrates Ms. Strasser did not make a cash deposit on October 5, 2012, the date she redeemed the \$885.00 warrant.

**Seed and Tree Sales** – Commissioners we spoke with stated the District takes orders for seed and trees each year. While trees are pre-ordered by customers and sold by the District once per year, seed is pre-ordered and sold throughout the growing season. The Commissioners also stated the District makes a small amount of money on the seed and tree sales. The District purchases the seed and trees from local vendors after receiving orders from customers and applies a mark-up. As a result, all of the District’s costs for purchasing the seed and trees should be covered.

We obtained records from the District office for seed sales for 2006 through 2013. We also obtained records for tree sales for 2007 through 2012. Records for 2013 tree sales could not be located in the office. The records obtained included vendor invoices and order forms for seed and trees pre-ordered by District customers. The order forms also included notations of when payments were made by customers.

Using the records obtained from the District office and records obtained from the District’s bank, we identified a number of collections for the resale of seed and trees which were not properly deposited. In some instances, cash was withheld from the seed and tree sale proceeds deposited. In other instances, the amounts collected for the resale of seed and trees was not deposited at all. The undeposited collections identified are summarized in **Table 4**.

**Table 4**

<b>Deposit Date</b>	<b>Description</b>	<b>Total Collected</b>	<b>Deposit Amount</b>	<b>Undeposited Collections</b>	
04/03/07*	Seed sale	\$ 730.40	-	730.40	
04/06/07*	Initial payment for seed sale	1,000.00	-	1,000.00	
04/27/07	Tree and seed sale proceeds combined	5,949.40	4,949.40	1,000.00	^
05/17/07	Balance of amount due from customer for seed sale	2,368.64	1,368.64	1,000.00	^
05/23/07	Seed sale	2,059.20	789.60	1,269.60	^
03/30/10	Seed sale	9,305.51	7,705.51	1,600.00	^
11/05/10	Seed sales to 3 customers	7,821.00	6,621.00	1,200.00	^
02/16/11	Seed sales to 4 customers	5,230.20	2,230.20	3,000.00	^
04/07/11*	Seed sales to 8 customers	8,045.95	-	8,045.95	
11/14/11*	Seed sale	2,401.30	-	2,401.30	
11/18/11	Seed sale	5,741.60	4,141.60	1,600.00	^
12/12/11	Seed sale	15,968.70	12,968.70	3,000.00	^
01/06/12	Seed sale	11,218.02	9,218.02	2,000.00	^
04/02/12*	Seed sale	1,108.80	-	1,108.80	
06/08/12	Tree sale proceeds	2,383.60	383.60	2,000.00	^
Total		\$ 81,332.32	50,376.27	30,956.05	

\* - Per check register or order form. Remaining dates are per bank statements.

^ - Cash withheld from deposit.

The \$2,401.30 recorded in the check register as a deposit for seed sales on November 14, 2011 was for an order placed by a District Commissioner. As illustrated by the **Table**, none of the payment from the Commissioner was deposited in a District bank account. The Commissioner provided us a copy of the front and back of the check he submitted for the order. The copy of the check is included in **Appendix 6**. As illustrated by the **Appendix**, the endorsement contains Ms. Strasser’s name.

When we reviewed Ms. Strasser’s personal bank statements, we identified certain cash deposits which closely correlate with the check from the Commissioner and other collections from the resale of seed and trees which were not deposited in the District’s bank accounts. The undeposited collections and the related cash deposits in Ms. Strasser’s bank accounts are compared in **Table 5**.

**Table 5**

<b>Undeposited Collections</b>			<b>Cash Deposits to Strasser's Bank Accounts</b>	
<b>Date</b>	<b>Description</b>	<b>Total Collected</b>	<b>Deposit Date</b>	<b>Amount</b>
04/03/07	Seed sale	\$ 730.40	04/03/07	\$ 700.00
04/06/07	Initial payment for seed sale	1,000.00	04/12/07	1,000.00
11/14/11	Seed sale	2,401.30	11/14/11	2,300.00
04/02/12	Seed sale	1,108.80	04/02/12	1,100.00

The \$30,956.05 of undeposited collections listed in **Table 4** are included in **Exhibit A**. The undeposited collections are also listed in **Exhibit B**. The **Exhibit** also compares these individual amounts to cash deposits to Ms. Strasser's personal bank accounts.

**Rain Barrels and Popcorn** – The District also sells rain barrels from the District office and popcorn at the annual Mahaska County Fair. The rain barrels are on hand in the District office and are available for purchase at any time. Customers do not place orders for the rain barrels. During our review of collections deposited to the District's bank accounts, we identified some payments for rain barrels sold by the District. However, because records were not maintained which summarized collections received at the District or the number of rain barrels sold, we were unable to determine if all collections from the sale of the rain barrels were properly deposited. In addition, records were not maintained which summarize popcorn sales at the annual Mahaska County Fair.

**Cash Withheld from Deposits** – During our review of deposits made to the District's bank accounts, we identified 3 additional instances for which cash was withheld from checks being deposited to the Payroll Account. The additional instances identified are summarized in **Table 6**. The District's bank was not able to provide supporting documentation for 6 deposits made to the District's account. As a result, we are unable to determine if any additional cash was withheld from the 6 deposits.

**Table 6**

<b>Date of Deposit</b>	<b>Check Amount</b>	<b>Cash Withheld from Deposit</b>	<b>Net Deposit</b>
11/26/08	\$ 5,400.00	400.00	5,000.00
08/02/11	15,303.50	1,000.00	14,303.50
10/24/11	15,303.50	3,000.00	12,303.50
Total	\$ 36,007.00	4,400.00	31,617.00

Using documents obtained from the bank, we determined the \$5,400.00 check deposited to the District's Payroll Account on November 26, 2008 was from CDI. As illustrated by the **Table**, \$400.00 of cash was withheld from the deposit. We contacted a representative of CDI and obtained a list of all payments made to the District. We did not identify any additional checks from CDI which were not properly deposited.

We also determined the \$15,303.50 checks deposited to the District's Payroll Account on August 2, 2011 and October 24, 2011, respectively, were from the Jasper County Soil and Water Conservation District (JCSWCD). We contacted a representative of JCSWCD who stated the checks were quarterly advances for payroll costs which were initially from the State of Iowa but were redistributed to the District by JCSWCD. The JCSWCD representative also stated JCSWCD did not issue any additional checks to the District.

The \$4,400.00 of cash withheld from deposit listed in **Table 6** is included in **Exhibit A** as undeposited collections. The 3 instances for which cash was withheld from deposits are also included in **Exhibit B** and compared to cash deposits made to Ms. Strasser's personal bank accounts.



## REPAYMENTS

During our review of deposits to the District's bank accounts, we identified several payments from Ms. Strasser. Some of the payments were small amounts and notations in the memo portion of the checks indicated they were for trees or they were deposited with a batch of checks which were related to the District's sale of seed or trees.

However, we identified 2 deposits from Ms. Strasser which were larger and for even dollar amounts. The deposits are listed in **Table 7**.

<b>Table 7</b>		
<b>Date of Deposit</b>	<b>Account</b>	<b>Amount</b>
06/27/08	Revolving	\$ 9,000.00
06/28/13	Payroll	3,000.00
Total		<u>\$ 12,000.00</u>

The \$9,000.00 deposited in 2008 was a cashier's check issued by the bank which holds Ms. Strasser's personal bank accounts. Ms. Strasser was listed as the remitter on the cashier's check. The \$3,000.00 deposited in 2013 was a "convenience check" drawn on a credit card issued in Ms. Strasser's name.

During the interview with Ms. Strasser, she stated the \$9,000.00 payment was an inheritance from her grandmother and the \$3,000.00 payment was an advance on a credit card. She also indicated they were partial repayments for District funds she took. The \$12,000.00 of personal funds Ms. Strasser deposited in the District's bank accounts is included in **Exhibit A** as a repayment.

During the interview with Ms. Strasser, she also stated she recorded disbursements for District operations in the check registers she maintained for the District's bank accounts. However, for certain disbursements, she used her personal funds to make the purchases. She explained she did this as a form of repayment. She also explained the purchases made with her personal funds could be identified in the check registers because the payments did not have a check number recorded. Ms. Strasser also stated receipts for the purchases without check numbers should be in the files located in the District office.

We compared the payments recorded in the check registers maintained by Ms. Strasser to the related bank statements and identified 36 payments to vendors recorded in the check register Ms. Strasser maintained for the Revolving Account which were not paid from the District's bank account. The 36 payments recorded in the check register total \$2,258.46.

Of the 36 payment identified, 23 were traced to a receipt in files maintained in the District's office which verified the amount recorded in the check register and supported the explanation recorded. The payments appear appropriate for District operations. We did not identify any reimbursements to Ms. Strasser for these costs. The 23 payments total \$1,490.34.

Receipts could not be located for the remaining 13 payments. As a result, we are unable to verify the amounts recorded or the explanations provided.

The \$1,490.34 of District costs which were not paid for from a District bank account are included in **Exhibit A** as a repayment.

## ADDITIONAL INFORMATION

As illustrated by **Exhibit B**, a significant amount of cash was withdrawn or withheld from the District's bank accounts between July 11, 2006 and July 12, 2013. By reviewing the District's financial transactions, bank balances and reports filed with IDALS, we identified potential sources of funds which may have been used for improper cash withdrawals or collections withheld from deposit. The sources are summarized in **Table 8** and explanations for each source follow the **Table**.

Table 8	
Description	Estimated Amount
1) WIRB funding	\$ 165,000.00
2) Excess payroll	18,500.00
3) Interest earned on WIRB account	12,000.00
4) Seed and tree sales	16,000.00
Total	\$ 211,500.00

- 1) WIRB Funding - The District administered 4 projects funded with WIRB funds during the period of our investigation. The District received the WIRB funds in advance of incurring the expenditures for which the funds were awarded. By comparing the amount of WIRB funds advanced to the District to the related expenditures, we determined the District should have had \$172,020.48 of unobligated WIRB funds in the District's bank accounts at July 31, 2013. However, the total amount in the District's 4 bank accounts at July 31, 2013 totaled \$5,606.32.

In addition to WIRB funds, the District has several other sources of funding available. Because sufficient accounting records were not available from the District, we were unable to determine how much of the \$5,606.32 in the District's bank accounts on July 31, 2013 were from the advances of WIRB funds and how much was from other sources.

As illustrated by **Table 8**, we estimate \$165,000.00 of the unspent WIRB funds may have been used for improper cash withdrawals.

- 2) Excess Payroll - We compared the amount of quarterly advances received by the District for the salary of a technician employed by the District for a specific project to the salary costs actually incurred by the District for the technician. We determined the amount advanced to the District exceeded the costs incurred by approximately \$18,500.00. As a result, the \$18,500.00 may have been used for improper cash withdrawals.
- 3) Interest Earned on WIRB Account - Because the District was advanced significant amounts of WIRB funding which was not immediately needed by the District, the funds earned interest while they were held in the District's WIRB account. From April 1, 2006 through July 31, 2013, the District earned approximately \$12,000.00 of interest on the WIRB account. These funds were not reported to IDALS as program income and were not used for expenses incurred on the related WIRB projects. As a result, the \$12,000.00 may have been used for improper cash withdrawals.
- 4) Seed/Tree Sales - As previously stated, the District sells trees once each year. In addition, the District sells seed from spring through fall each year. When we compared the amounts the District paid the local seed and tree vendors to the amounts collected, we determined the net proceeds were approximately \$16,000.00. As previously stated, some of the collections were not properly deposited. However, some of the collections deposited may have subsequently been used for improper cash withdrawals.

Because these amounts represent sources of cash which may have been improperly withdrawn or withheld from District bank accounts and not additional losses to the District, these amounts are not included in **Exhibit A**.

### **ADMINISTRATIVE RESPONSIBILITIES**

As previously stated, Ms. Strasser was responsible for preparing minutes of Commission meetings and monthly Treasurer's reports. She was also responsible for preparing disbursement listings for the Commission's approval. During our review of the available minutes and Treasurer's reports, we identified the following:

- For the Commissioners' Account, we identified 26 instances for which the Treasurer's balance did not change from the previous report. We also determined the Treasurer's reports varied from the bank balances by amounts which ranged from \$533.24 less than the bank balance to \$31,953.77 more than the bank balance.
- For the Payroll Account, we identified 2 instances for which the Treasurer's balance did not change from the previous report. We also determined the Treasurer's reports varied from the bank balances by amounts which ranged from \$22,988.31 less than the bank balance to \$10,152.07 more than the bank balance.
- For the Revolving Account, we determined the Treasurer's reports varied from the bank balances by amounts which ranged from \$8,386.58 to \$21,966.43 less than the bank balance.

The Commission members we spoke with stated they did not realize the information presented to them was not correct, nor did they identify the balances sometimes did not change between reports. The Commission members also stated they did not review bank statements or provide any other type of oversight over the duties performed by Ms. Strasser.

### **CHANGES IMPLEMENTED BY IDALS**

As previously stated, there are 100 SWCDs across the state, with 2 in Pottawattamie County and 1 in each of the remaining 98 counties. Each SWCD has a secretary or shares a secretary with another SWCD. The secretaries are IDALS employees. Because of the concerns identified when Ms. Strasser was placed on leave in August 2013, IDALS implemented changes to limit the secretaries' access to SWCD funds. A copy of a memo sent to all SWCDs on August 21, 2013 is included as **Appendix 7**.

## **Recommended Control Procedures**

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

- A. Segregation of Duties - An important aspect of internal control is the segregation of duties among employees to prevent an individual employee from handling duties which are incompatible. The former secretary for the District had control over each of the following areas for the District.

- (1) Receipts – collecting, posting to the accounting records, and preparing and making bank deposits,
- (2) Disbursements – making certain purchases, receiving certain goods and services, presenting proposed disbursements to the Commission, maintaining financial information for approved conservation projects, maintaining supporting documentation, preparing, signing and distributing checks, and posting disbursements to the accounting records,
- (3) Payroll – preparing, signing, and distributing payroll checks based on calculations provided by an independent CPA firm, remitting payroll taxes and retirement benefits in a timely manner, and posting payroll information to the accounting records,
- (4) Bank accounts – reconciling monthly bank statements to accounting records and
- (5) Reporting – preparing minutes of Commission meetings and financial reports.

Recommendation - We realize segregation of duties is difficult with a limited number of office employees. However, the functions listed above should be segregated. In addition, Commissioners should review financial records, perform reconciliations and examine supporting documentation for accounting records on a periodic basis.

- B. Disbursements - During our review of the District's bank statements, we identified unauthorized cash withdrawals. Because no one other than the District's former secretary reviewed the District's bank statements, the withdrawals were not identified in a timely manner.

Recommendation – Bank statements and other financial records should be delivered to and opened by a party who has no other financial duties, such as a Commission member. The independent party should review the statements in a timely manner and any unusual transactions identified should be resolved in a timely manner.

- C. Financial Reports to the Commission – The proper balances were not reported in the financial reports the District's former secretary prepared for Commission meetings.

Recommendation – The Commission should implement procedures to ensure financial information presented to the Commission is accurate and complete. In addition, the Commission should implement procedures to ensure someone independent of other financial duties periodically reviews the District's financial records. The Commission has appointed a Commission member to act as

Treasurer. The Treasurer should prepare financial information which can be used to verify the accuracy of the information presented to the Commission.

- D. Receipts – The District did not issue receipts for collections or prepare any other similar types of collection records. As a result, we are unable to determine if all collections were properly deposited.

Recommendation – Prenumbered receipts should be issued for all collections at the time of collection to provide additional control over the proper collection and recording of all money received.

- E. Payments from State Agencies – The District received significant advances from the State of Iowa for certain conservation projects which were not immediately needed for District operations. In addition, a limited number of payments from State agencies were made on paper warrants rather than being electronically deposited directly to the District's bank accounts.

Recommendation – Representatives of State agencies have changed procedures so advances are no longer provided to soil and water conservation districts. The District should request all payments distributed to the District from state agencies be made electronically.

- F. Secretary Duties – The secretaries of the soil and water conservation districts are employees of IDALS. They are responsible for preparing financial transactions and reporting the related information to the Commission and various funding sources, such as IDALS. IDALS does not provide any oversight of the financial records prepared by the secretaries.

Because there was no oversight of the District's financial transactions by the Commission, Ms. Strasser was able to withdraw and withhold cash from District bank accounts without detection. In addition, she was able to transfer funds among District accounts in order to ensure sufficient funds were available for upcoming payments.

Recommendation – IDALS officials should implement procedures which ensure the individual Districts have established sufficient accounting records which are reconciled to the related bank accounts in a timely manner. In addition, procedures should be implemented to ensure the reconciliations and other accounting records are reviewed by an independent party on a periodic basis and any unusual items are followed up on in a timely manner.

## **Exhibits**

Report on Special Investigation of the  
Mahaska County Soil and Water Conservation District

Summary of Findings  
For the period April 1, 2006 through August 31, 2013

Description	Exhibit/Table/ Page Number	Amount
Improper disbursements:		
Cash withdrawals	Table 1	\$ 241,248.08
IPERS late fees and interest charges	Page 10	530.25
State and federal payroll tax penalty, interest, and fee	Page 11	269.20
Bank fees	Page 12	56.00
Total improper disbursements		\$ 242,103.53
Undeposited collections:		
State of Iowa	Table 3	1,885.00
Seed and tree sales	Table 4	30,956.05
Cash withheld from deposit	Table 6	4,400.00
Total undeposited collections		37,241.05
Total improper disbursements and undeposited collections		279,344.58
Less: Repayments	Table 7	(12,000.00)
Purchases on behalf of the District	Page 15	(1,490.34)
Net amount		\$ 265,854.24

---

Report on Special Investigation of the  
Mahaska County Soil and Water Conservation District

Comparison of Cash Withdrawn and Withheld from the District's Bank Accounts  
to Cash Deposits in Jessica Strasser's Personal Bank Accounts  
For the period April 1, 2006 through August 31, 2013

<b>Cash Withdrawn or Withheld from District Bank Accounts</b>			
<b>Date</b>	<b>Account</b>	<b>Date W/D or W/H*</b>	<b>Cash W/D or W/H~</b>
07/11/06	Revolving	07/11/06	\$ 500.00
07/11/06	Revolving	07/11/06	500.00
07/17/06	Revolving	07/17/06	1,000.00
07/18/06			
08/04/06	Revolving	08/04/06	1,000.00
08/11/06	Revolving	08/11/06	1,000.00
08/12/06			
08/30/06	Revolving	08/30/06	1,000.00
09/05/06	Revolving	09/05/06	1,000.00
09/08/06	Revolving	09/08/06	500.00
09/13/06	Revolving	09/13/06	1,000.00
09/21/06	Revolving	09/21/06	1,000.00
09/26/06	Revolving	09/26/06	1,000.00
10/10/06	Revolving	10/10/06	1,000.00
10/13/06	Revolving	10/13/06	500.00
10/17/06	Revolving	10/17/06	600.00
11/01/06	Revolving	11/01/06	1,000.00
11/09/06	Revolving	11/09/06	500.00
12/15/06	Revolving	12/15/06	900.00
12/16/06			



<b>Cash Deposits to Strasser's Personal Bank Accounts</b>				
<b>Account Description</b>	<b>Date Deposited*</b>	<b>Total Deposit</b>	<b>Non-cash##</b>	<b>Cash</b>
Checking #1	07/11/06	\$ 1,000.00	-	1,000.00
Checking #1	07/18/06	1,000.00	-	1,000.00
Checking #1	08/04/06	1,000.00	-	1,000.00
Checking #1	08/12/06	950.00	-	950.00
Checking #1	08/30/06	1,000.00	-	1,000.00
Checking #1	09/05/06	1,000.00	-	1,000.00
Checking #1	09/08/06	200.00	-	200.00
Checking #1	09/13/06	1,000.00	-	1,000.00
Checking #1	09/21/06	1,024.03	24.03	1,000.00
Checking #1	09/26/06	1,000.00	-	1,000.00
Checking #1	10/10/06	1,000.00	-	1,000.00
Checking #1	10/13/06	500.00	-	500.00
Checking #1	10/17/06	1,792.53	1,192.53	600.00
Checking #1	11/01/06	900.00	-	900.00
Checking #1	12/16/06	800.00	-	800.00

Report on Special Investigation of the  
Mahaska County Soil and Water Conservation District

Comparison of Cash Withdrawn and Withheld from the District's Bank Accounts  
to Cash Deposits in Jessica Strasser's Personal Bank Accounts  
For the period April 1, 2006 through August 31, 2013

<b>Date</b>	<b>Cash Withdrawn or Withheld from District Bank Accounts</b>		
	<b>Account</b>	<b>Date W/D or W/H*</b>	<b>Cash W/D or W/H~</b>
01/18/07 01/19/07	Revolving	01/18/07	1,000.00
01/29/07	Revolving	01/29/07	1,000.00
02/08/07  03/12/07	Revolving	02/08/07	1,000.00
03/23/07 03/23/07	Revolving	03/23/07	1,000.00
04/03/07	Revolving	04/03/07	730.40 **
04/06/07 04/12/07	Revolving	04/06/07	1,000.00 **
04/27/07	Revolving	04/27/07	1,000.00 @
05/08/07	Revolving	05/08/07	1,000.00
05/17/07 05/17/07	Revolving	05/17/07	1,000.00 @
05/23/07	Revolving	05/23/07	1,269.60 @
06/25/07	Revolving	06/25/07	750.00
10/16/08 10/17/08	Revolving	10/16/08	1,000.00
11/03/08	Revolving	11/03/08	1,500.00

<b>Cash Deposits to Strasser's Personal Bank Accounts</b>				
<b>Account Description</b>	<b>Date Deposited*</b>	<b>Total Deposit</b>	<b>Non-cash##</b>	<b>Cash</b>
Checking #1	01/19/07	1,000.00	-	1,000.00
Checking #1	01/29/07	1,000.00	-	1,000.00
Checking #1	02/08/07	800.00	-	800.00
Checking #1	03/12/07	140.00	-	140.00
Checking #1	03/23/07	900.00	-	900.00
Checking #2	03/23/07	100.00	-	100.00
Checking #1	04/03/07	700.00	-	700.00
Checking #1	04/12/07	1,000.00	-	1,000.00
Checking #1	04/27/07	900.00	-	900.00
Checking #1	05/08/07	1,000.00	-	1,000.00
Checking #1	05/17/07	750.00	-	750.00
Checking #2	05/17/07	250.00	-	250.00
Checking #1	05/23/07	1,200.00	-	1,200.00
Checking #1	06/25/07	650.00	-	650.00
Checking #1	10/17/08	900.00	-	900.00
Checking #1	11/03/08	1,400.00	-	1,400.00

Report on Special Investigation of the  
Mahaska County Soil and Water Conservation District

Comparison of Cash Withdrawn and Withheld from the District's Bank Accounts  
to Cash Deposits in Jessica Strasser's Personal Bank Accounts  
For the period April 1, 2006 through August 31, 2013

<b>Date</b>	<b>Cash Withdrawn or Withheld from District Bank Accounts</b>		
	<b>Account</b>	<b>Date W/D or W/H*</b>	<b>Cash W/D or W/H~</b>
11/14/08	Revolving	11/14/08	1,500.00
11/17/08	Revolving	11/17/08	1,000.00
11/26/08	Payroll	11/26/08	400.00 @
05/14/09	Payroll	05/14/09	1,800.00
05/26/09	Revolving	05/26/09	500.00
05/26/09	WIRB	05/26/09	1,000.00
05/29/09	Payroll	05/29/09	1,000.00
06/10/09	WIRB	06/10/09	1,300.00
06/11/09	Payroll	06/11/09	1,800.00
06/11/09	Revolving	06/11/09	500.00
06/11/09			
06/18/09	Payroll	06/18/09	1,000.00
06/18/09	WIRB	06/18/09	400.00
06/29/09	Payroll	06/29/09	600.00
07/15/09	Revolving	07/15/09	500.00
07/20/09	Revolving	07/20/09	1,000.00
07/31/09	Payroll	07/31/09	1,000.00
08/06/09	Payroll	08/06/09	1,000.00
08/27/09	WIRB	08/27/09	1,500.00
08/28/09			

Cash Deposits to Strasser's Personal Bank Accounts				
Account Description	Date Deposited*	Total Deposit	Non-cash##	Cash
Checking #1	11/14/08	1,500.00	-	1,500.00
Checking #1	11/17/08	2,321.63	1,321.63	1,000.00
Checking #1	05/14/09	900.00	-	900.00
Checking #1	05/14/09	800.00	-	800.00
Checking #1	05/26/09	500.00	-	500.00
Checking #4	05/26/09	1,000.00	-	1,000.00
Checking #1	05/29/09	1,000.00	-	1,000.00
Checking #1	06/10/09	800.00	-	800.00
Checking #1	06/11/09	400.00	-	400.00
Checking #3	06/11/09	1,400.00	-	1,400.00
Checking #4	06/11/09	1,000.00	-	1,000.00
Checking #1	06/18/09	1,400.00	-	1,400.00
Checking #1	06/29/09	500.00	-	500.00
Checking #1	07/15/09	500.00	-	500.00
Checking #1	07/20/09	900.00	-	900.00
Checking #1	07/31/09	800.00	-	800.00
Checking #1	08/06/09	900.00	-	900.00
Checking #1	08/27/09	1,000.00	-	1,000.00
Checking #1	08/28/09	300.00	-	300.00

Report on Special Investigation of the  
Mahaska County Soil and Water Conservation District

Comparison of Cash Withdrawn and Withheld from the District's Bank Accounts  
to Cash Deposits in Jessica Strasser's Personal Bank Accounts  
For the period April 1, 2006 through August 31, 2013

<b>Date</b>	<b>Cash Withdrawn or Withheld from District Bank Accounts</b>		
	<b>Account</b>	<b>Date W/D or W/H*</b>	<b>Cash W/D or W/H~</b>
09/17/09	Revolving	09/17/09	800.00
09/17/09	WIRB	09/17/09	900.00
09/30/09	Payroll	09/30/09	1,500.00
10/08/09	Commissioners'	10/08/09	900.00
10/27/09	Payroll	10/27/09	1,200.00
11/05/09	Payroll	11/05/09	1,500.00
11/12/09	Payroll	11/12/09	1,200.00
11/19/09	WIRB	11/19/09	2,000.00
11/25/09	WIRB	11/25/09	1,500.00
12/04/09	WIRB	12/04/09	1,500.00 ^
12/11/09	WIRB	12/11/09	1,000.00
12/23/09	WIRB	12/23/09	1,200.00
01/14/10	Payroll	01/14/10	1,500.00
01/14/10	WIRB	01/14/10	1,500.00
01/26/10	WIRB	01/26/10	2,000.00
02/18/10	WIRB	02/18/10	1,200.00
03/19/10	Payroll	03/19/10	1,000.00
03/30/10	Revolving	03/30/10	1,600.00 @

<b>Cash Deposits to Strasser's Personal Bank Accounts</b>				
<b>Account Description</b>	<b>Date Deposited*</b>	<b>Total Deposit</b>	<b>Non-cash##</b>	<b>Cash</b>
Checking #1	09/17/09	800.00	-	800.00
Checking #1	09/18/09	900.00	-	900.00
Checking #1	09/30/09	1,500.00	-	1,500.00
Checking #1	10/08/09	900.00	-	900.00
Checking #1	10/27/09	1,200.00	-	1,200.00
Checking #1	11/05/09	1,500.00	-	1,500.00
Checking #1	11/12/09	1,200.00	-	1,200.00
Checking #1	11/19/09	2,000.00	-	2,000.00
Checking #1	11/25/09	500.00	-	500.00
Checking #1	12/04/09	1,500.00	-	1,500.00
Checking #1	12/11/09	900.00	-	900.00
Checking #1	12/23/09	1,038.70	38.70	1,000.00
Checking #1	01/14/10	1,475.00	25.00	1,450.00
Checking #1	01/14/10	1,500.00	-	1,500.00
Checking #1	01/26/10	2,000.00	-	2,000.00
Checking #1	02/18/10	1,200.00	-	1,200.00
Checking #1	03/19/10	1,000.00	-	1,000.00
Checking #1	03/30/10	1,400.00	-	1,400.00

Report on Special Investigation of the  
Mahaska County Soil and Water Conservation District

Comparison of Cash Withdrawn and Withheld from the District's Bank Accounts  
to Cash Deposits in Jessica Strasser's Personal Bank Accounts  
For the period April 1, 2006 through August 31, 2013

<b>Date</b>	<b>Cash Withdrawn or Withheld from District Bank Accounts</b>		
	<b>Account</b>	<b>Date W/D or W/H*</b>	<b>Cash W/D or W/H~</b>
04/20/10	Revolving	04/20/10	1,200.00
04/27/10	Revolving	04/27/10	1,500.00
06/09/10	Commissioners'	06/09/10	1,500.00
06/18/10	Revolving	06/18/10	1,500.00
06/28/10	Revolving	06/28/10	1,200.00
07/01/10	Revolving	07/01/10	1,000.00
07/09/10	Commissioners'	07/09/10	500.00
08/02/10	Payroll	08/02/10	1,500.00
08/04/10	Commissioners'	08/04/10	700.00
08/16/10 08/17/10	WIRB	08/16/10	4,500.00
08/23/10 08/24/10 08/25/10	WIRB	08/23/10	3,500.00
09/03/10 09/04/10	WIRB	09/03/10	3,500.00
09/07/10	WIRB	09/07/10	2,000.00
09/27/10	WIRB	09/24/10	2,000.00
09/30/10	WIRB	09/30/10	2,000.00



<b>Cash Deposits to Strasser's Personal Bank Accounts</b>				
<b>Account Description</b>	<b>Date Deposited*</b>	<b>Total Deposit</b>	<b>Non-cash##</b>	<b>Cash</b>
Checking #1	04/21/10	1,000.00	-	1,000.00
Checking #1	04/27/10	1,500.00	-	1,500.00
Checking #1	06/09/10	1,360.00	-	1,360.00
Checking #1	06/18/10	1,400.00	-	1,400.00
Checking #1	06/28/10	1,213.00	13.00	1,200.00
Checking #1	07/01/10	1,010.70	10.70	1,000.00
Checking #1	07/09/10	500.00	-	500.00
Checking #1	08/02/10	1,500.00	-	1,500.00
Checking #1	08/04/10	400.00	-	400.00
Checking #1	08/17/10	2,500.00	-	2,500.00
Checking #1	08/21/10	500.00	-	500.00
Checking #1	08/24/10	1,500.00	-	1,500.00
Savings #3	08/25/10	2,000.00	1,000.00	1,000.00
Checking #1	09/03/10	2,000.00	-	2,000.00
Checking #1	09/04/10	1,000.00	-	1,000.00
Checking #1	09/07/10	2,000.00	-	2,000.00
Checking #1	09/24/10	1,800.00	-	1,800.00
Checking #1	09/30/10	1,832.00	32.00	1,800.00

Report on Special Investigation of the  
Mahaska County Soil and Water Conservation District

Comparison of Cash Withdrawn and Withheld from the District's Bank Accounts  
to Cash Deposits in Jessica Strasser's Personal Bank Accounts  
For the period April 1, 2006 through August 31, 2013

<b>Date</b>	<b>Cash Withdrawn or Withheld from District Bank Accounts</b>		
	<b>Account</b>	<b>Date W/D or W/H*</b>	<b>Cash W/D or W/H~</b>
10/15/10	WIRB	10/15/10	4,600.00
10/25/10	WIRB	10/25/10	2,000.00
11/03/10	Payroll	11/03/10	1,000.00 @
11/05/10	Revolving	11/05/10	1,200.00 @
11/12/10	WIRB	11/12/10	3,000.00
11/18/10	WIRB	11/18/10	2,000.00
11/23/10	WIRB	11/23/10	1,500.00
12/10/10	WIRB	12/10/10	3,000.00
12/15/10	WIRB	12/15/10	4,000.00
12/20/10			
12/28/10	WIRB	12/28/10	2,000.00
01/10/11	Revolving	01/10/11	1,200.00
01/14/11	Revolving	01/14/11	2,536.00
02/11/11	Payroll	02/11/11	3,000.00
02/14/11			
02/16/11	Revolving	02/16/11	3,000.00 @
02/25/11	Payroll	02/25/11	1,500.00
03/16/11	Revolving	03/16/11	2,000.00
03/17/11			

<b>Cash Deposits to Strasser's Personal Bank Accounts</b>				
<b>Account Description</b>	<b>Date Deposited*</b>	<b>Total Deposit</b>	<b>Non-cash##</b>	<b>Cash</b>
Checking #1	10/15/10	2,500.00	-	2,500.00
Checking #1	10/25/10	1,800.00	-	1,800.00
Checking #1	11/03/10	800.00	-	800.00
Checking #1	11/05/10	1,000.00	-	1,000.00
Checking #1	11/18/10	2,000.00	-	2,000.00
Checking #1	11/23/10	1,200.00	-	1,200.00
Checking #1	12/10/10	3,000.00	-	3,000.00
Checking #1	12/15/10	2,000.00	-	2,000.00
Checking #1	12/17/10	2,000.00	-	2,000.00
Checking #1	12/28/10	1,800.00	-	1,800.00
Checking #1	01/10/11	1,000.00	-	1,000.00
Checking #1	01/14/11	2,536.00	-	2,536.00
Checking #1	02/11/11	1,500.00	100.00	1,400.00
Checking #1	02/14/11	1,500.00	-	1,500.00
Checking #1	02/16/11	3,000.00	-	3,000.00
Checking #1	03/17/11	1,500.00	-	1,500.00

Report on Special Investigation of the  
Mahaska County Soil and Water Conservation District

Comparison of Cash Withdrawn and Withheld from the District's Bank Accounts  
to Cash Deposits in Jessica Strasser's Personal Bank Accounts  
For the period April 1, 2006 through August 31, 2013

<b>Cash Withdrawn or Withheld from District Bank Accounts</b>			
<b>Date</b>	<b>Account</b>	<b>Date W/D or W/H*</b>	<b>Cash W/D or W/H~</b>
03/25/11	Commissioners'	03/25/11	2,000.00
04/07/11	Revolving	04/07/11	8,045.95 **
04/19/11	Commissioners'	04/19/11	4,000.00
04/21/11			
04/21/11			
04/23/11			
04/29/11	Commissioners'	04/29/11	2,000.00
05/12/11			
05/20/11	Revolving	05/20/11	2,000.00
05/23/11			
05/23/11			
05/23/11			
05/27/11	Revolving	05/27/11	2,000.00
06/03/11			
06/15/11	WIRB	06/15/11	3,000.00
07/08/11	Commissioners'	07/08/11	2,500.00
07/20/11	Revolving	07/20/11	3,000.00
07/29/11	Revolving	07/29/11	3,000.00
08/02/11	Payroll	08/02/11	1,000.00 @

<b>Cash Deposits to Strasser's Personal Bank Accounts</b>				
<b>Account Description</b>	<b>Date Deposited*</b>	<b>Total Deposit</b>	<b>Non-cash##</b>	<b>Cash</b>
Checking #1	03/25/11	2,000.00	-	2,000.00
Checking #1	04/21/11	2,000.00	-	2,000.00
Checking #1	04/21/11	2,000.00	-	2,000.00
Checking #1	04/23/11	2,000.00	-	2,000.00
Checking #1	05/12/11	1,500.00	-	1,500.00
Checking #1	05/23/11	300.00	-	300.00
Savings #2	05/23/11	50.00	-	50.00
Savings #1	05/23/11	50.00	-	50.00
Checking #1	05/27/11	1,500.00	-	1,500.00
Checking #1	06/03/11	2,000.00	-	2,000.00
Checking #1	06/15/11	2,000.00	-	2,000.00
Checking #1	07/08/11	2,000.00	-	2,000.00
Checking #1	07/20/11	2,500.00	-	2,500.00
Checking #1	07/29/11	2,500.00	-	2,500.00

Report on Special Investigation of the  
Mahaska County Soil and Water Conservation District

Comparison of Cash Withdrawn and Withheld from the District's Bank Accounts  
to Cash Deposits in Jessica Strasser's Personal Bank Accounts  
For the period April 1, 2006 through August 31, 2013

<b>Cash Withdrawn or Withheld from District Bank Accounts</b>			
<b>Date</b>	<b>Account</b>	<b>Date W/D or W/H*</b>	<b>Cash W/D or W/H~</b>
08/05/11	Payroll	08/05/11	2,000.00
08/08/11			
08/24/11			
09/07/11	WIRB	09/07/11	2,500.00
09/07/11	Commissioners'	09/07/11	2,500.00
10/07/11	Commissioners'	10/07/11	3,500.00
10/11/11			
10/11/11			
10/24/11	Payroll	10/24/11	3,000.00 @
11/14/11	Revolving	11/14/11	2,401.30 **
11/18/11	Revolving	11/18/11	1,600.00 @
11/28/11	WIRB	11/28/11	1,500.00
11/29/11			
12/12/11	Revolving	12/12/11	3,000.00 @
12/13/11			
12/29/11	WIRB	12/29/11	1,500.00
12/30/11			
01/06/12	Revolving	01/06/12	2,000.00 @
01/17/12			
01/20/12	Payroll	01/20/12	2,200.00
02/03/12	Payroll	02/03/12	2,200.00

<b>Cash Deposits to Strasser's Personal Bank Accounts</b>				
<b>Account Description</b>	<b>Date Deposited*</b>	<b>Total Deposit</b>	<b>Non-cash##</b>	<b>Cash</b>
Checking #1	08/08/11	2,000.00	-	2,000.00
Checking #1	08/24/11	3,107.16	1,107.16	2,000.00
Checking #1	09/07/11	2,500.00	-	2,500.00
Savings #3	09/09/11	2,500.00	-	2,500.00
Savings #3	10/11/11	1,500.00	-	1,500.00
Savings #3	10/11/11	1,620.00	-	1,620.00
Checking #1	10/24/11	2,000.00	-	2,000.00
Checking #1	11/14/11	2,308.46	8.46	2,300.00
Checking #1	11/18/11	2,801.42	1,801.42	1,000.00
Checking #1	11/29/11	1,526.29	26.29	1,500.00
Checking #1	12/13/11	2,800.00	-	2,800.00
Checking #1	12/30/11	1,500.00	-	1,500.00
Checking #1	01/06/12	1,500.00	-	1,500.00
Checking #1	01/17/12	1,439.51	1,239.51	200.00
Checking #1	01/20/12	2,000.00	-	2,000.00
Checking #1	02/03/12	2,200.00	-	2,200.00

Report on Special Investigation of the  
Mahaska County Soil and Water Conservation District

Comparison of Cash Withdrawn and Withheld from the District's Bank Accounts  
to Cash Deposits in Jessica Strasser's Personal Bank Accounts  
For the period April 1, 2006 through August 31, 2013

<u>Date</u>	<u>Cash Withdrawn or Withheld from District Bank Accounts</u>		
	<u>Account</u>	<u>Date W/D or W/H*</u>	<u>Cash W/D or W/H~</u>
02/08/12	WIRB	02/08/12	2,000.00
03/02/12	WIRB	03/02/12	2,500.00
03/15/12	WIRB	03/15/12	3,000.00
04/02/12	Revolving	04/02/12	1,108.80 **
04/11/12	Commissioners'	04/11/12	4,000.00
04/12/12			
04/12/12			
05/04/12	Commissioners'	05/04/12	2,200.00
05/11/12	Commissioners'	05/11/12	2,500.00
05/22/12	Commissioners'	05/22/12	2,300.00
06/08/12	Revolving	06/08/12	2,000.00 @
07/11/12	Commissioners'	07/11/12	2,000.00
07/27/12	Commissioners'	07/27/12	3,200.00
08/10/12	Commissioners'	08/10/12	1,000.00
09/05/12	Commissioners'	09/05/12	4,500.00
09/10/12	WIRB	09/10/12	1,500.00
09/11/12			



<b>Cash Deposits to Strasser's Personal Bank Accounts</b>				
<b>Account Description</b>	<b>Date Deposited*</b>	<b>Total Deposit</b>	<b>Non-cash##</b>	<b>Cash</b>
Checking #1	02/08/12	2,000.00	-	2,000.00
Checking #1	03/02/12	3,491.87	1,491.87	2,000.00
Checking #1	03/15/12	3,000.00	-	3,000.00
Checking #1	04/02/12	1,100.00	-	1,100.00
Checking #1	04/11/12	2,000.00	-	2,000.00
Checking #1	04/12/12	1,300.00	-	1,300.00
Checking #2	04/12/12	500.00	-	500.00
Checking #1	05/04/12	2,000.00	-	2,000.00
Checking #1	05/11/12	2,500.00	-	2,500.00
Checking #1	05/22/12	1,900.00	-	1,900.00
Checking #1	06/08/12	2,000.00	-	2,000.00
Checking #1	07/11/12	2,000.00	-	2,000.00
Checking #1	07/27/12	3,200.00	-	3,200.00
Checking #1	08/10/12	1,000.00	-	1,000.00
Checking #1	09/05/12	3,800.00	-	3,800.00
Checking #3	09/05/12	250.00	-	250.00
Checking #3	09/11/12	3,557.67	3,107.67	450.00

Report on Special Investigation of the  
Mahaska County Soil and Water Conservation District

Comparison of Cash Withdrawn and Withheld from the District's Bank Accounts  
to Cash Deposits in Jessica Strasser's Personal Bank Accounts  
For the period April 1, 2006 through August 31, 2013

<b>Cash Withdrawn or Withheld from District Bank Accounts</b>			
<b>Date</b>	<b>Account</b>	<b>Date W/D or W/H*</b>	<b>Cash W/D or W/H~</b>
09/26/12	Commissioners'	09/26/12	4,500.00
10/03/12	Commissioners'	10/03/12	2,000.00
10/05/12	^^	10/05/12	885.00 @
10/10/12	WIRB	10/10/12	2,000.00
10/16/12	WIRB	10/16/12	1,500.00
10/20/12			
10/26/12	WIRB	10/26/12	62.08
10/26/12	WIRB	10/26/12	2,000.00
11/07/12	WIRB	11/07/12	2,400.00
11/14/12	WIRB	11/14/12	3,000.00
11/26/12	WIRB	11/26/12	2,000.00
12/05/12	WIRB	12/05/12	3,000.00
12/14/12	WIRB	12/14/12	2,700.00
12/19/12	WIRB	12/19/12	2,000.00
12/26/12			
01/07/13	WIRB	01/07/13	2,200.00
01/08/13			

<b>Cash Deposits to Strasser's Personal Bank Accounts</b>				
<b>Account Description</b>	<b>Date Deposited*</b>	<b>Total Deposit</b>	<b>Non-cash##</b>	<b>Cash</b>
Checking #1	09/26/12	4,000.00	-	4,000.00
Checking #1	10/03/12	2,000.00	-	2,000.00
Checking #1	10/10/12	2,000.00	-	2,000.00
Checking #1	10/20/12	1,124.98	624.98	500.00
Checking #1	10/26/12	2,000.00	-	2,000.00
Checking #1	11/07/12	2,000.00	-	2,000.00
Checking #1	11/14/12	2,500.00	-	2,500.00
Checking #1	11/26/12	2,000.00	-	2,000.00
Checking #1	12/05/12	2,705.26	105.26	2,600.00
Checking #1	12/14/12	1,260.00	210.00	1,050.00
Checking #1	12/19/12	2,000.00	-	2,000.00
Checking #1	12/26/12	1,506.20	1,116.20	390.00
Checking #1	01/08/13	2,000.00	-	2,000.00

Report on Special Investigation of the  
Mahaska County Soil and Water Conservation District

Comparison of Cash Withdrawn and Withheld from the District's Bank Accounts  
to Cash Deposits in Jessica Strasser's Personal Bank Accounts  
For the period April 1, 2006 through August 31, 2013

<b>Cash Withdrawn or Withheld from District Bank Accounts</b>			
<b>Date</b>	<b>Account</b>	<b>Date W/D or W/H*</b>	<b>Cash W/D or W/H~</b>
01/18/13	WIRB	01/18/13	2,400.00
01/29/13			
01/30/13	Commissioners'	01/30/13	2,200.00
02/15/13	WIRB	02/15/13	2,500.00
03/01/13	Commissioners'	03/01/13	2,100.00
03/08/13	Commissioners'	03/08/13	2,100.00
03/27/13	Revolving	03/27/13	3,000.00
07/12/13	Revolving	07/12/13	3,000.00
Total			<u>\$ 278,489.13</u>

W/D - Withdrawn

W/H - Withheld

~ - Cash withdrawn or withheld from District bank account.

^ - Teller Cash Out Ticket did not include Jessica Strasser's name.

@ - Cash was withheld from a deposit to a District bank account.

\*\* - Undeposited payment for seed or tree sales.

^^ - \$885.00 check from the State of Iowa was redeemed for cash. No portion of the check was deposited to a District bank account.

\* - Date per bank document or date posted by bank if a date was not shown on the deposit slip.

## - Non-cash items were checks payable to Ms. Strasser or her family members.

<b>Cash Deposits to Strasser's Personal Bank Accounts</b>				
<b>Account Description</b>	<b>Date Deposited*</b>	<b>Total Deposit</b>	<b>Non-cash##</b>	<b>Cash</b>
Checking #1	01/18/13	2,000.00	-	2,000.00
Checking #1	01/29/13	400.00	-	400.00
Checking #4	01/30/13	2,000.00	-	2,000.00
Checking #4	02/15/13	2,500.00	-	2,500.00
Savings #3	03/01/13	1,500.00	-	1,500.00
Checking #1	03/08/13	1,901.41	-	1,901.41
Savings #3	03/27/13	2,500.00	-	2,500.00
Checking #1	07/12/13	2,748.90	48.90	2,700.00
		<u>\$ 255,392.72</u>	<u>14,645.31</u>	<u>240,747.41</u>

---

Report on Special Investigation of the  
Mahaska County Soil and Water Conservation District

Staff

This special investigation was performed by:

Annette K. Campbell, CPA, Director

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

Tamera S. Kusian, CPA  
Deputy Auditor of State

## **Appendices**

**Report on Special Investigation of the  
Mahaska County Soil and Water  
Conservation District**



Report on Special Investigation of the  
Mahaska County Soil and Water Conservation District  
Copy of Letter from Jessica Strasser

Kevin, Lee and Carol,

During Matt's deployments I got very depressed and did some things I will forever regret. With Matt being gone, the stress of working in two offices, and caring for my boys became too much for me to handle. I should have reached out for help, but failing was a greater fear. My actions are not excusable and I take full responsibility for them. I am a coward and took advantage of those that care for me. I will never be able to tell you how sorry I am. I wanted to let you know how sorry I am for my deceit. I value your friendships and took advantage of the trust you put in me. I'm not asking for your forgiveness, but if you see Matt and the boys please remember the deceit was mine and they had no idea what I was doing. I have ruined everything that is dear to me and am taking the steps to pay for my mistakes. I know what I did was inexcusable. I am truly sorry and maybe over time you can accept my apology.

Sincerely,

Jessica

Appendix 2

Report on Special Investigation of the  
Mahaska County Soil and Water Conservation District  
Copies of Selected Cash Withdrawal Documents

VALLEY BANK CHECKING WITHDRAWAL DEBIT

ACCOUNT NAME Mahaska County SWCD

SIGNATURE Jessica Strawn DESCRIPTION

DATE June 10, 2009

IN/RC/BR 6015427

TRAN CODES  
038 - WITHDRAWAL  
040 - TELEPHONE TRANSFER  
042 - IN PERSON MAIL WITHDRAWAL  
061 - CLOSING WITHDRAWAL  
083 - HSA NORMAL DISTRIBUTION

ACCOUNT NUMBER [REDACTED] TRAN CODE \* 038 AMOUNT \$ 1300.00

5971-0110 [REDACTED] 038/0000130000

DDA Debits - [REDACTED] \$1,300.00 - 82969510 - 06/10/2009

VALLEY BANK CHECKING WITHDRAWAL DEBIT

ACCOUNT NAME Mahaska County Soil Conservation District

SIGNATURE Jessica Strawn DESCRIPTION

DATE June 11, 2009

IN/RC/BR 601533127

TRAN CODES  
038 - WITHDRAWAL  
040 - TELEPHONE TRANSFER  
042 - IN PERSON MAIL WITHDRAWAL  
061 - CLOSING WITHDRAWAL  
083 - HSA NORMAL DISTRIBUTION

ACCOUNT NUMBER [REDACTED] TRAN CODE \* 038 AMOUNT \$ 1800.00

5971-0110 [REDACTED] 038/0000180000

DDA Debits - [REDACTED] \$1,800.00 - 83968470 - 06/11/2009

Report on Special Investigation of the  
Mahaska County Soil and Water Conservation District  
Copies of Selected Cash Withdrawal Documents

VALLEY BANK		CHECKING WITHDRAWAL		DEBIT
ACCOUNT NAME <u>Mahaska County Soil Conservation District</u>				
SIGNATURE <u>Janice Strawn</u>		DESCRIPTION		
DATE <u>June 11, 2009</u>	TRAN CODES			
IN/IC/BR <u>INT/533/27</u>	<div style="display: flex; justify-content: space-between;"> <div style="width: 40%;"> <small>038 - WITHDRAWAL 040 - TELEPHONE TRANSFER 042 - IN PERSON MM WITHDRAWAL 061 - CLOSING WITHDRAWAL 083 - HSA NORMAL DISTRIBUTION</small> </div> <div style="width: 60%; border-top: 1px solid black;"></div> </div>			
ACCOUNT NUMBER		TRAN CODE	AMOUNT	
* [REDACTED]		* 038	\$ 500.00	
[REDACTED]		[REDACTED]	⑆0000050000⑆	
DDA Debits - [REDACTED] \$500.00 - 83968450 - 06/11/2009				

VALLEY BANK		CHECKING WITHDRAWAL		DEBIT
ACCOUNT NAME <u>Mahaska County SWCD</u>				
SIGNATURE <u>Janice Strawn</u>		DESCRIPTION		
DATE <u>3-8-13</u>				
IN/IC/BR <u>KS/624/27</u>				
ACCOUNT NUMBER			AMOUNT	
* [REDACTED]			\$ 2100.00	
⑆5971⑆0⑆10⑆		[REDACTED]	038	
DDA Debits [REDACTED] \$2,100.00 - 15229507 - 03/08/2013				

# Appendix 3

## Report on Special Investigation of the Mahaska County Soil and Water Conservation District Copies of Selected Deposit Documents for Jessica Strasser's Personal Bank Accounts

DEPOSIT TICKET  
TO BE USED FOR DEPOSIT TRANSACTIONS ONLY

MATTHEW T. STRASSER  
JESSICA D. STRASSER  
[REDACTED]  
ROSE HILL, IA 52586

DATE June 10, 2009  
DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL.

SIGN HERE ONLY IF CASH RECEIVED FROM DEPOSIT

**Bank Iowa**  
Your Success. Our Priority.  
Oskaloosa • Fremont

DO NOT USE DEPOSIT TICKET FOR TAG # FOR  
AUTOMATIC PAYMENTS USE YOUR CHECK

☒ CASH  
INCLUDING COINS

800.00

List  
Checks  
Singly

TOTAL  
ITEMS

OR TOTAL FROM REVERSE

SUB TOTAL

☐ LESS CASH  
RECEIVED

\$ 800.00

39

Acct # [REDACTED] Credit, 06/10/2009, \$800.00

DEPOSIT TICKET  
TO BE USED FOR DEPOSIT TRANSACTIONS ONLY

MATTHEW T. STRASSER  
JESSICA D. STRASSER  
[REDACTED]  
ROSE HILL, IA 52586

DATE June 11, 2009  
DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL.

SIGN HERE ONLY IF CASH RECEIVED FROM DEPOSIT

**Bank Iowa**  
Your Success. Our Priority.  
Oskaloosa • Fremont

DO NOT USE DEPOSIT TICKET FOR TAG # FOR  
AUTOMATIC PAYMENTS USE YOUR CHECK

☒ CASH  
INCLUDING COINS

400.00

List  
Checks  
Singly

TOTAL  
ITEMS

OR TOTAL FROM REVERSE

SUB TOTAL

☐ LESS CASH  
RECEIVED

\$ 400.00

Acct # [REDACTED] Credit, 06/11/2009, \$400.00

Report on Special Investigation of the  
Mahaska County Soil and Water Conservation District  
Copies of Selected Deposit Documents for Jessica Strasser's  
Personal Bank Accounts

**CHECKING DEPOSIT**

Deposits may not be available for immediate withdrawal.  
PLEASE LIST EACH SEPARATELY BELOW

CURRENCY	1400.00	
SILVER		
CHECKS		
LESS CASH		

Checks and other items are received for deposit to this account subject to the rules and regulations of this bank.

DATE \_\_\_\_\_  
NAME Jessica Strasser

CHECKING ACCOUNT NUMBER [REDACTED]

TOTAL DEPOSIT  
**ChkDep 1400.00**  
06/11/2009 02:16:59 PM  
0001 M005 0016 #134  
603845

5000-0000-39

Seq. 7000820, Acct # [REDACTED] Credit, 06/11/2009, \$1,400.00

**CASH IN**

TELLER NO. **16**

CashIn **1400.00**  
06/11/2009 02:16:59 PM  
0001 M005 0016 #134  
603845

5004-4444-0000 [REDACTED] 88

Seq. 7000840, Acct # [REDACTED] Debit, 06/11/2009, \$1,400.00

Report on Special Investigation of the  
Mahaska County Soil and Water Conservation District  
Copies of Selected Deposit Documents for Jessica Strasser's  
Personal Bank Accounts

SAVINGS DEPOSIT		Deposits may not be available for immediate withdrawal. PLEASE LIST EACH SEPARATELY BELOW							
<p><small>Checks and other items are received for deposit to this account subject to the rules and regulations of this bank.</small></p> <p>DATE <u>08/25/2010</u></p> <p>NAME <u>Jessica Strasser</u></p> <p>ACCOUNT NUMBER <span style="background-color: black; color: black;">[REDACTED]</span></p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">CURRENCY</td> <td style="width: 50%; text-align: right;">1000.00</td> </tr> <tr> <td>SILVER</td> <td></td> </tr> <tr> <td>CHECKS</td> <td style="text-align: right;">Augustine &amp; Sons 1000.00</td> </tr> <tr> <td>LESS CASH</td> <td></td> </tr> </table> <p style="text-align: right;">TOTAL DEPOSIT</p> <p style="text-align: right;">SvDep 2000.00</p> <p style="text-align: right;">08/25/2010 11:46:51 AM 0001 MOUS 0016 #112 ID - Pecos 2 1293060</p>	CURRENCY	1000.00	SILVER		CHECKS	Augustine & Sons 1000.00	LESS CASH	
CURRENCY	1000.00								
SILVER									
CHECKS	Augustine & Sons 1000.00								
LESS CASH									

Seq. 9000200, Acct # [REDACTED] Credit, 08/25/2010, \$2,000.00

CASH IN <small>PROCESSED BY THE BANK</small>	TELLER NO. <b>16</b>
<p><i>[Signature]</i></p> <p>CashIn 1000.00</p> <p style="text-align: right;">08/25/2010 11:46:51 AM 0001 MOUS 0016 #112 1293060</p>	<p style="text-align: right;">BB</p>

Seq. 9000220, Acct # [REDACTED] Debit, 08/25/2010, \$1,000.00


AUGUSTINE & SONS, INC. <small>2015 10th Street Pecos, NM 87654 (505) 233-2004</small>		First National Bank <small>Member FDIC 72-128-739</small>	15910
<p>PAY TO THE ORDER OF <u>Matthew Strasser</u> \$ <u>**1,000.00</u></p> <p><u>One Thousand and 00/100</u> DOLLARS</p> <p>Matthew Strasser</p>		<p>8/20/2010</p> <p><i>[Signature]</i></p>	

Seq. 9000240, Acct # [REDACTED] Debit # 15910, 08/25/2010, \$1,000.00

Report on Special Investigation of the  
 Mahaska County Soil and Water Conservation District  
 Copies of Selected Deposit Documents for Jessica Strasser's  
 Personal Bank Accounts

DEPOSIT TICKET		72-2041/739	
MATTHEW T STRASSER		1901.41	
JESSICA D STRASSER			
2995 - 200TH STREET			
ROSE HILL, IA 52586			
DATE <u>March 8, 2013</u>			
DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL			
SIGN HERE FOR CASH RECEIVED (IF REQUIRED)		TOTAL FROM OTHER SIDE	
		SUB TOTAL	
		LESS CASH RECEIVED	
		\$ 1901.41	
Bank Iowa Your Success. Our Priority www.bankiowabank.com			
[REDACTED]		39	

Seq. 49002135, Acct # [REDACTED] Credit, 03/08/2013, \$1,901.41

<b>CASH IN</b> PRECISION PRINTING & SUPPLY CO	TELLER NO. <b>416</b>
	1901.41
	Cash In 03/08/2013 02:03:16 PM 041-TLR416-416-5 Acct# [REDACTED]
⑆553099990⑆ [REDACTED]	BB

Seq. 49002140, Acct # [REDACTED] Debit, 03/08/2013, \$1,901.41

Appendix 4

Report on Special Investigation of the  
Mahaska County Soil and Water Conservation District  
Copies of Check Numbers 1182 and 1183

**MAHASKA COUNTY SWCD** 03-06 **1182**  
2503 TODD ST  
OSKALOOSA, IA 52577

May 8, 2013 Date

Pay to the Order of Iowa DNR \$ 65,948.34

~~sixty five thousand nine hundred and thirty four~~

**Valley Bank** Oskaloosa Branch  
641-673-6367  
www.bankatvalley.com

For Genica Strawn MP

⑆ [REDACTED] ⑆ [REDACTED] ⑆ 1182

DDA Debits - [REDACTED] \$65,948.34 - 9001353 - 05/13/2013

State Treasurer - DNR  
or Deposit Only  
MAY 09 2013  
Account [REDACTED]

DDA Debits - [REDACTED] - \$65,948.34 - 9001353 - 05/13/2013



Report on Special Investigation of the  
Mahaska County Soil and Water Conservation District  
Copies of Check Numbers 1182 and 1183

**MAHASKA COUNTY SWCD** 03-06 **1183**  
2503 TODD ST  
OSKALOOSA, IA 52577 72-218/738  
Date July 19, 2013 27

Pay to the Order of Iowa DNR \$ 65,948.34

~~City of Iowa DNR~~

**Valley Bank** Oskaloosa Branch  
641-573-6367  
www.bankatvalley.com

For Hawthorn Lake Project Jessica Strass MP

1183

DDA Debits - [REDACTED] \$65,948.34 - 9002819 - 07/23/2013

FOR DEPOSIT ONLY  
JUL 19 2013  
Account [REDACTED]

DDA Debits - [REDACTED] \$65,948.34 - 9002819 - 07/23/2013

## Appendix 5

Report on Special Investigation of the  
Mahaska County Soil and Water Conservation District  
Copies of Deposit Slip, State of Iowa Warrants,  
and Cash Out Tickets

DEPOSIT TICKET 72-218/739  
27

**MAHASKA COUNTY SOIL  
CONSERVATION DISTRICT 05/05**  
2503 TODD ST  
OSKALOOSA, IA 52577

DATE November 3, 2010  
DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL  
James Starn  
SIGN HERE IF CASH RECEIVED FROM DEPOSIT

**Valley Bank** Oskaloosa Branch  
641-872-6367  
www.bankatvalley.com

CASH 1878.50

CHECKS OR TOTAL FROM OTHER SIDE 1000.00

SUB TOTAL 878.50

LESS CASH 0.00

NET DEPOSIT \$ 878.50

20

DDA Credits - ~~878.50~~ 878.50 - 87814441 - 11/03/2010

CASH OUT FOR FINANCIAL INSTITUTIONS USE ONLY

ENTER TOTAL ON FRONT

878.50

BOFD > [REDACTED] <  
Valley Oskaloosa  
2010-11-03  
087814441

RECORD OF CHECKS FOR DEPOSIT  
LIST BY DAY  
COLLARS  
CPTS

DDA Credits - ~~878.50~~ 878.50 - 87814441 - 11/03/2010

Report on Special Investigation of the  
Mahaska County Soil and Water Conservation District

Copies of Deposit Slip, State of Iowa Warrants,  
and Cash Out Tickets

ACCOUNT NUMBERS		<i>State of Iowa Warrant</i>	
0433-11-543-HAS-OHAS-2465		VOID 6 MONTHS AFTER 10-19-10	No. 64536053
Pay to the order of		TO THE Treasurer of State	33-72 730
MAHASKA COUNTY SWCD 2503 TODD ST OSKALOOSA IA 52577		Des Moines, Iowa 50319	
		DEPARTMENTAL REFERENCE NO'S	AMOUNT
		02101810026 XXXXX115795 9 \$*****1,878.50	
		CR00HASGANTON100202-	
		<i>Ray Watson</i>	2083900698060
		Department of Administrative Services	
		0730007231	
Transit - [REDACTED] \$1,878.50 - 87814442 - 11/03/2010			

0087814442		CAUTION - ENDORSE IN VIEW OF PERSON CASHING OR RESTRICT ENDORSEMENT (FOR DEPOSIT ONLY) AND SIGN YOUR NAME. Residencies: Mahaska Sued	
		MY ADDRESS IS 2503 Todd Street OSKALOOSA IA 52577 CITY STATE ZIP	
BOFD >073902180< Valley Oskaloosa 2010-11-03 087814442			
Transit - [REDACTED] \$1,878.50 - 87814442 - 11/03/2010			

VALLEY BANK CASH OUT TICKET CREDIT

BRANCH 27 TELLER NO. 94 1000.00

RC/Initials  
OSKALOOSA *215/574/27*

94 8 \$1,000.00  
10:05 11/03/10  
Cash Out Ticket  
Acct#:

073902180 11 600

GL Credits - \$1,000.00 - 87814440 - 11/03/2010

0087814440

BOFD >073902180<  
Valley Oskaloosa  
2010-11-03

GL Credits - [REDACTED] - \$1,000.00 - 87814440 - 11/03/2010

Report on Special Investigation of the  
Mahaska County Soil and Water Conservation District  
Copies of Deposit Slip, State of Iowa Warrants,  
and Cash Out Tickets

Account Number: 0017-13-543-39B-39EA-2465  
State of Iowa Warrant  
VOID 6 MONTHS AFTER 09-17-12  
No. 65467287  
TO THE Treasurer of State  
Des Moines, Iowa 50319  
EIGHT HUNDRED EIGHTY FIVE DOLLARS NO CENTS  
Pay: MAHASKA COUNTY SWCD  
2503 TODD ST  
OSKALOOSA IA 52577  
09031712066  
AMOUNT: 5 \*\*\*\*\*885.00  
770880950051770  
Mike Carroll  
DEPARTMENT OF ADMINISTRATIVE SERVICES  
AUTHORIZED SIGNATURE  
⑆073000723⑆

RESERVED FOR THE DEPARTMENT OF REVENUE  
MAHASKA COUNTY SWCD  
2503 TODD ST  
OSKALOOSA IA 52577  
BOFD >073902180<  
Valley Oskaloosa  
2012-10-05  
013880702  
FEDERAL RESERVE BOARD OF GOVERNORS REG. CO.

VALLEY BANK CASH OUT TICKET CREDIT  
BRANCH 27  
RC/initials Ms/10/12/1  
OSKALOOSA  
TELLER NO. 93  
885.00  
93 96 885.00  
16:09 10/05/12  
Cash Out Ticket  
Acct#:  
⑆073902180⑆ 600



Report on Special Investigation of the  
Mahaska County Soil and Water Conservation District

Copy of Memo to All Soil and Water Conservation Districts



IOWA DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP

Bill Northey, Secretary of Agriculture

TO: All Soil and Water Conservation Districts

FROM: James Gillespie, Director  
IDALS/Division of Soil Conservation

DATE: August 21, 2013

RE: **District Operations (DO)**  
District Funds Management

Effective immediately, DSC's policy regarding management of District funds and financial accounts has changed. State Secretaries and other state employees are no longer allowed to access SWCD financial accounts. **State Secretaries need to remove their names from any and all access to District financial accounts within the next 48 hours.** The following activities describe the secretary's role in managing District funds.

**State Secretaries may no longer:**

- Sign checks from any and all District financial accounts
- Access, withdraw, or make deposits into District financial accounts

**State Secretaries will be allowed to:**

- Receive District monies from fund raising, equipment rental, and supply sales and provide pre-numbered receipts for these transactions. Funds should be placed in the District safe upon receipt
- Prepare financial reports/treasurers reports for the regularly scheduled commissioners meetings
- Present District bills to the commissioners at their regularly scheduled meetings
- Prepare the annual District financial report that has been completed and reconciled by the SWCD commissioners that includes an audit statement, signed and dated by non-state personnel that have completed the audit
- Store receipts, bills, deposit slips, withdrawal receipts, canceled checks, security bonds, certificates of deposit, property deeds, current checkbooks and all other financial documents in a locked file or safe located within the building
- Retain current District financial records plus District financial records for five years following the last District audit
- Serve as co-treasurer for the District
- Send approved copy of the financial report from each regularly scheduled meeting to the Division of Soil Conservation
- Access District petty cash funds. Petty cash funds may not exceed \$50. Any transactions conducted by the secretary must include a receipt and must be reconciled monthly by a commissioner

If you have questions, you may contact Jim Gillespie at 515-281-7043 or Vince Sitzmann at 515-281-7818.

JEG/vls/ljl

Henry A. Wallace Building • Des Moines, Iowa 50319 • 515-281-5321 • [agri@iowaagriculture.gov](mailto:agri@iowaagriculture.gov)  
The Iowa Department of Agriculture and Land Stewardship is an equal opportunity employer and provider