

STATE OF NORTH CAROLINA

OFFICE OF THE STATE AUDITOR
BETH A. WOOD, CPA



TOWN OF SPRING LAKE

SPRING LAKE, NORTH CAROLINA

INVESTIGATIVE REPORT
JUNE 2016



NC  **OSA**
The Taxpayers' Watchdog

EXECUTIVE SUMMARY

PURPOSE

The Office of the State Auditor received allegations through its Hotline concerning possible abuse of the Town of Spring Lake's (Town) procurement cards and missing revenues. During the investigation of the initial allegations, concerns about other expenditures and violations of town policies were identified.

BACKGROUND

Spring Lake is a town in Cumberland County. The Town provides water, sewer, and sanitation services to residents. The Town operates under a council-manager form of government with a mayor and five Board of Aldermen elected at-large on a non-partisan basis to two-year terms. The mayor is the chief executive officer of the Town. The town manager is the chief administrator of the Town and serves at the pleasure of the Board of Aldermen.

KEY FINDINGS

- Town employees and Board members spent more than \$122,000 on questionable purchases
- Town employees and Board members spent more than \$366,049 on purchases in violation of Town policies
- The Town failed to bill, record, and collect \$90,930 from a customer for utility services

KEY RECOMMENDATIONS

- The Board of Aldermen should provide oversight of Town operations to ensure accountability for Town resources.
- The Town should consider disciplinary actions against management that did not properly enforce policies and management/staff/Board members that misused their procurement cards.
- The Town should seek reimbursement from Town employees for purchases unrelated to Town business.
- The town manager and finance director should enforce policies and implement procedures to ensure employees and Board members understand Town policies and procedures.
- The Town should retroactively bill the real estate management company for unbilled water services.

Key findings and recommendations are not inclusive of all findings and recommendations in the report.

STATE OF NORTH CAROLINA
Office of the State Auditor



Beth A. Wood, CPA
State Auditor

2 S. Salisbury Street
20601 Mail Service Center
Raleigh, NC 27699-0600
Telephone: (919) 807-7500
Fax: (919) 807-7647
<http://www.ncauditor.net>

AUDITOR'S TRANSMITTAL

June 27, 2016

The Honorable Pat McCrory, Governor
Members of the North Carolina General Assembly
Spring Lake Board of Aldermen
Mr. Addison Davis, Town Manager, Town of Spring Lake

Ladies and Gentlemen:

Pursuant to *North Carolina General Statute §147-64.6(c)(16)*, we have completed an investigation of allegations concerning the Town of Spring Lake. The results of our investigation, along with recommendations for corrective action, are contained in this report.

Copies of this report have been provided to the Governor, the Attorney General and other appropriate officials in accordance with *G.S. §147-64.6(c)(12)*. We appreciate the cooperation received from the management and employees of the Town of Spring Lake during our investigation.

Respectfully submitted,

A handwritten signature in cursive script that reads 'Beth A. Wood'.

Beth A. Wood, CPA
State Auditor



Beth A. Wood, CPA
State Auditor

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Article 5A, Chapter 147 of the North Carolina General Statutes, gives the Auditor broad powers to examine all books, records, files, papers, documents, and financial affairs of every state agency and any organization that receives public funding. The Auditor also has the power to summon people to produce records and to answer questions under oath.



BACKGROUND

In response to a Hotline allegation regarding possible abuse of the Town of Spring Lake's (Town) procurement cards and missing revenues, the Office of the State Auditor initiated an investigation. During the investigation of the initial allegations, concerns about other expenditures and violations of town policies were identified.

Our investigation of these allegations included the following procedures:

- Review of applicable North Carolina General Statutes, North Carolina Local Government Commission Policy Manual, and Town policies and procedures
- Interviews with current and former Town employees and the Town Board of Aldermen
- Examination and analysis of available documents and records related to the allegations

Spring Lake is a town in Cumberland County. The Town provides water, sewer, and sanitation services to residents. The Town operates under a council-manager form of government with a mayor and five Board of Aldermen elected at-large on a non-partisan basis to two-year terms. The mayor is the chief executive officer of the Town. The town manager is the chief administrator of the Town and serves at the pleasure of the Board of Aldermen.

This report presents the results of our investigation. The investigation was conducted pursuant to *North Carolina General Statute § 147-64.6 (c) (16)*.



FINDINGS AND RECOMMENDATIONS

1. TOWN EMPLOYEES AND BOARD MEMBERS SPENT MORE THAN \$122,000 ON QUESTIONABLE¹ PURCHASES

Misuse of Procurement Cards and Travel Expenses

Over a five-year period, 63 Town of Spring Lake (Town) employees and three Board of Aldermen (Board) misused procurement cards and travel expenses for personal and unnecessary items. From July 1, 2010, through March 31, 2015, Town employees and Board members spent at least \$122,434 on 1,448 purchases that appear unrelated to Town business. (See Appendix A for a complete listing of charges by employee and Appendix B for charges by merchant.)

Examples included:

- **Former Town Manager charged \$4,319 for personal items and food** (Appendix A includes the former Town Manager's \$6,626 of questionable charges)

He charged \$2,154 for personal items on the Town procurement card. He reimbursed the Town \$958, of which he reimbursed \$553 on March 23, 2015, the day of his resignation. (Appendix C lists the former Town Manager's personal charges)

He charged \$2,165 for food from various restaurants and stores. The former Town Manager said he held meetings at local restaurants instead of conducting meetings at the town hall. (Appendix D lists the former Town Manager's food charges)

- **Interim Recreation Director charged \$2,751 for Thirty-One² bags** (Appendix E lists the Interim Recreation Director's \$28,809 of questionable charges)

She charged \$2,571 for various Thirty-One tote bags, caddies, and organizers purchased from her friend.³ She said senior citizens requested some of these purchases. However, the Senior Center Director said the senior citizens did not request the bags. In addition, a receipt showed one of these totes embroidered with the Interim Recreation Director's initials.

She said she spent \$180 on "clearance stuff that was bought for the staff for Christmas." However, this purchase was shipped to the Interim Recreation Director's home address.

- **Former Interim Finance Director charged \$1,928 for Thirty-One bags, gift cards, and personal items** (Appendix F lists the former Interim Finance Director's \$20,922 of questionable charges)

She charged \$800 for 23 Thirty-One tote bags purchased from her step-daughter.

She charged \$970 for gift cards from various stores. The former Interim Finance Director said the purchases were to "stock up and keep the cards on hand for future use" because the Town "had extra budget money so we stocked up." She made these purchases on June 29, 2012, the last day of the Town's fiscal year.

¹ Purchases that appear unnecessary and/or lacked sufficient documentation and explanation to support Town business.

² Thirty-One is a business that sells exclusive bags, accessories, and jewelry directly through sales consultants.

³ According to the Thirty-One Gifts' website, sales consultants "earn 25% commission on every sale" and hostess rewards "grow with the sales" from their party.

She charged \$158 for personal items from Bert's Surf Shop, Amazon.com, PayPal, and Duke Hospital Auxiliary. The former Interim Finance Director said she reimbursed the Town. However, neither she nor the Town could provide evidence to support her claim of reimbursement.

- **Former Board member charged \$311 for wife's travel expenses** (Appendix A includes the former Board member's \$836 of questionable charges)

He did not reimburse the Town \$311 for his wife's expenses when she accompanied him on trips to Boston, MA in December 2012, and Seattle, WA in November 2013, for town-related conferences. While the Board member reimbursed the Town for his wife's flight to Boston, he did not reimburse the Town for her portion of meals. In addition, he did not reimburse the Town for her portion of meals and flight change fees while in Seattle.

- **Fire Chief received \$188 in refunds from Staples** (Appendix A includes the Fire Chief's \$1,737 of questionable charges)

He received \$188 in refunds for two returns that were not applied as credits to the Town procurement card. Instead, for each return, the Fire Chief received a "cash card." He said "the card was used later for something in the fire department." However, the Fire Chief did not provide receipts for purchases using the cash cards.

In 2013 and 2014, Town management acknowledged the misuse of procurement cards and attempted to take action. In a management staff meeting on August 26, 2013, the former Town Manager said "we have to reel in our purchasing...We currently have a system where there is a little too much flexibility on some of our spending habits."

In a July 2014 manager's report, the former Town Manager announced new "spending restrictions" and noted "this will reduce the impulsive trips to wal-mart [sic] where, I find, one tends to get more than what they needed or ends up buying additional items that they had not planned to." The former Town Manager further noted a need to "reel in some of the availability of [the procurement card program] usage."

More Than \$122,000 Misspent

At least \$122,000 of misspent funds could have been used for legitimate Town expenditures such as public safety and infrastructure improvements.

Inadequate Oversight and Review

Even after becoming aware of questionable purchases, the Mayor, former town managers, and former finance directors failed to maintain adequate oversight of procurement card purchases. In addition, supervisors rarely questioned employee purchases.

In July 2014, the former Town Manager and former Interim Finance Director implemented a review process for procurement card purchases that lasted only two months. The former Town Manager and former Interim Finance Director incorporated review of the procurement card purchases in their bi-monthly meetings with the department heads. According to the former Town Manager, "our second session each month will be dedicated to the review of the P-card log to ensure essential purchases only." However, these monthly sessions occurred only in August and September 2014.

The former Town Manager discontinued the review after the September 2014 meetings despite advising employees the cards would be closely monitored and audited. According to the former Interim Finance Director, the Mayor questioned the time spent by Town management reviewing the procurement card transactions.

Potential Violations of State Laws and Policies

If Town employees or Board members used public funds for their private benefit, it may represent a violation of one or more of the following state laws (Appendix G):

- § 14-90. Embezzlement of property received by virtue of office or employment.
- § 14-92. Embezzlement of funds by public officers and trustees.
- § 14-100. Obtaining property by false pretenses.

Furthermore, the Department of State Treasurer's Policy Manual for Local Governments states "adequate controls must be established to ensure that public funds are expended properly. These include built-in transactional limits for any one [procurement] card, cardholder education, preaudit certification, and supervisory review procedures."⁴

RECOMMENDATIONS

- The Board of Aldermen should provide oversight of Town operations to ensure accountability for Town resources.
- The Town should consider disciplinary actions against management that did not properly enforce policies and management/staff/Board members that misused their procurement cards.
- The Town should seek reimbursement from Town employees for purchases unrelated to Town business.
- The mayor, town manager, finance director, and department supervisors should monitor charges to Town procurement cards.

Note: This finding referred to the North Carolina State Bureau of Investigation to determine if there is sufficient evidence to pursue criminal charges related to misappropriation of public funds.

⁴ Department of State Treasurer Policy Manual for Local Governments, Section 35: Purchasing and Contracting, Part I – Organization of Purchasing Function.

2. TOWN EMPLOYEES AND BOARD MEMBERS SPENT MORE THAN \$366,049 ON PURCHASES IN VIOLATION OF TOWN POLICIES

Town Policies Violated

From July 1, 2010, through March 31, 2015, Town of Spring Lake (Town) employees and Board members spent at least \$335,756 for 1,120 purchases in violation of the Town's procurement card holder agreement and its purchasing and travel policies (Appendix H). These violations included:

- Purchases totaling \$250,864 without purchase orders
- Travel-related expenses totaling \$53,666 without travel forms
- Purchases totaling \$31,226 without receipts

The former Interim Finance Director recognized Town employees had not been following policies. An e-mail from her on August 28, 2014, stated:

“There were clear violations and others that were more creative but nonetheless an attempt to ‘skirt’ the policy. Those included breaking up orders on-site; ordering same type items every day; donating money to the Town to force the purchase under the threshold.”⁵

In addition, the Town could not locate the monthly procurement card file⁶ for June 2013. However, investigators obtained an electronic procurement card file from Bank of America for that month. The file included 183 transactions totaling \$30,293 (Appendix I). Although the charges appeared similar to other months in terms of types, amounts, and frequency of purchases, there were no procurement card statements, receipts, purchase orders, bank logs, and supervisory approvals for these transactions.

Unnecessary and Excessive Expenses

The Town may have incurred unnecessary expenses as a result of its employees and Board members violating Town policies.

- Without obtaining required purchase orders, the Town may not have received the best product or the best price or allowed for fair and open solicitation for items purchased.
- Without required travel forms, the Town may not have determined if the travel was necessary and reasonable. In addition, the Town may have advanced travel allowances or reimbursed employees for excessive travel expenses.
- Without receipts for purchases, the Town may have paid for items unrelated to Town business.

⁵ To avoid requesting a required purchase order, Town employees applied personal funds to purchases to reduce the amount charged on the procurement card below the purchase order limit. Town employees charged the remaining balance of the purchase to their procurement card.

⁶ The monthly file includes procurement card statements, receipts, purchase orders, bank logs, and supervisors' approvals.

Lack of Knowledge and Ignoring Policies

Town management failed to properly communicate policies and procedures to employees. In addition, some employees and Board members overrode policies and procedures.

First, many employees admitted they did not know the policies. Many employees did not know the purchase order limits. An employee said “we stopped completing the settlement portion (of the travel form) when we got the p-card.” Another employee said completing travel forms “was not his responsibility.” A Board member said no one told him he had to complete travel forms.

In addition, some employees overrode policies without any consequences. These employees admitted to splitting purchases to stay under the purchase order limit. One employee said he “would split purchases” with another employee so they would not have to request a purchase order.

Policy Requirements

The Town’s policies address required procedures, authorization, and approvals for purchasing and travel. These policies and procedures include the following:

- Purchasing and Contracting – Section 1.9 [Procurement (Credit) Card] of the Town’s purchasing and contracting policy requires a purchase order for purchases exceeding a predetermined limit.
- Travel – Section 10.16 [Travel Authorization and Settlement Procedures] of the Town’s travel policy and section 12.16 [Travel Authorization and Settlement Procedures] of the Town’s elected officials travel policy requires employees and Board members to complete a travel request and settlement form to request authorization to travel, respectively. This form must also be completed to request advanced funds prior to travel. Within 10 business days of returning from travel, employees and Board members are required to complete the settlement portion of the travel form and attach the appropriate receipts.
- Purchasing Cards – Section 9.9 [Authorized Purchasing Card Use] of the Town’s purchasing cards policy prohibits the splitting of purchases into multiple transactions to stay within a single purchase limit. Also, Section 9.11 [Cardholder Recordkeeping] of the policy requires employees and Board members to retain receipts or documentation as proof of the purchase.
- Records Retention and Disposition Schedule – On November 19, 2012, the Town approved Resolution 38 to adopt a records retention schedule for the destruction of invoices, checks, bills, vouchers, travel requests, and travel authorization forms. The resolution allows the Town to destroy records after three years.

RECOMMENDATIONS

- The town manager and finance director should enforce policies and implement procedures to ensure employees and Board members understand Town policies and procedures. The town manager and finance director should communicate changes to existing policies and procedures to employees and Board members in a timely manner.

- The mayor, town manager, finance director, and department supervisors should monitor charges to employees' procurement cards for compliance with town policies and procedures.
- The town manager and finance director should ensure the Town retains procurement card records according to the approved records retention and disposition schedule.

3. THE TOWN FAILED TO BILL, RECORD, AND COLLECT \$90,930 FROM A CUSTOMER FOR UTILITY SERVICES

Real Estate Management Company Under-Billed

From July 2009 to December 2014, the Town of Spring Lake (Town) under-billed a real estate management company⁷ \$90,930 for the purchase of bulk water⁸ as a result of meter reading and recording errors. The Town's public works department discovered the errors in December 2014. Upon discovery, the Town did not attempt to record and collect this revenue.

The Town incorrectly recorded the monthly meter readings from July 2009 to December 2014. According to the revenue supervisor, the meter readers inadvertently excluded the last digit of water usage. The meter readers submitted the incorrect water usage to the Town's revenue collection department for billing.

\$90,930 in Lost Revenue

The lost revenue from the under-billing of the real estate company could have been used to reduce bonds payable for the construction of water and sewer system facilities.

In addition, failure to record revenues and receivables for unbilled services can result in misleading financial statements. Misleading financial information could negatively impact management's ability to establish appropriate rates for utility services.

Meter Reading Errors

According to the revenue supervisor, the meter readers did not know how to read the meters correctly. In addition, the Town's revenue collection department and finance office did not review the monthly meter readings and billings for accuracy.

The former Town Manager elected not to bill the real estate management company upon discovery of the meter reading errors. He said he "didn't know if it would be ethical to have [the real estate management company] back pay for the undercharge. It would be unfair due to our mistake."

⁷ The outstanding balance is for a subdivision this company manages.

⁸ On July 13, 2009, the Town entered into a water service agreement to supply bulk water to a subdivision located in the Town.

Local Government Policy

The North Carolina Department of State Treasurer's Policy Manual for Local Governments addresses the procedures for proper billing and recognition of revenue earned. The policy manual states, "billing for enterprise and other service revenues should be based on usage as determined by accurate and timely information, such as meters for water usage."⁹

Also, the policy manual states, "If an enterprise fund has provided services to customers, it has 'earned' the revenues for these services and should record the associated revenues and receivables, even if the customers have not yet been billed."¹⁰

RECOMMENDATIONS

- The Town should retroactively bill the real estate management company for unbilled water services.
- The Town should consult with the North Carolina State Treasurer's Local Government Commission to properly account for the unbilled revenue in its financial statements.
- The Town's revenue collection department and finance office should review the monthly meter readings and billings for accuracy.
- The Town should train employees to ensure meters are read and recorded correctly and customers are billed based on water usage.

⁹ Department of State Treasurer Policy Manual for Local Government, Section 55: User Fees.

¹⁰ Department of State Treasurer Policy Manual for Local Government, Section 55: User Fees.



APPENDICES

**Town of Spring Lake
Questionable Purchases by Employee**

<u>Employee Title</u>	<u>Number of Transactions</u>	<u>Amount</u>
Interim Recreation Director	134	\$ 28,809.98
* Interim Finance Director	227	\$ 20,922.77
Town Clerk	124	\$ 12,571.03
Senior Center Office Assistant	158	\$ 9,922.69
Senior Center Director	97	\$ 7,535.34
* Town Manager	110	\$ 6,626.10
Human Resources Director	33	\$ 3,300.27
Assistant Fire Chief	54	\$ 3,149.72
Police Chief	31	\$ 2,953.34
* Finance Director	29	\$ 2,919.66
* Police Administrative Assistant	54	\$ 2,423.84
Public Works IT Technician	26	\$ 2,280.95
Fire Chief	49	\$ 1,737.29
* Police Training Sergeant	14	\$ 1,397.76
Public Works Maintenance Supervisor	14	\$ 1,273.67
Police Administrative Assistant	28	\$ 1,143.33
Water Superintendent	15	\$ 1,086.03
Building and Ground Maintenance Mayor	11 25	\$ 1,085.94 \$ 1,036.96
* Board of Alderman	6	\$ 836.85
Inspections Clerk	4	\$ 679.58
* Payroll Clerk	19	\$ 605.72
Mayor Pro Tem	4	\$ 557.51
Water Operations Crew Leader	4	\$ 426.05
Street Maintenance Supervisor	22	\$ 393.92
Battalion Chief of Training	16	\$ 393.72
* Fire Fighter	8	\$ 389.13
Fire Captain A Shift	8	\$ 364.18
Lead Meter Reader	7	\$ 342.87
* Recreation Program Coordinator	9	\$ 340.57
Fire Captain B Shift	8	\$ 336.82

**Town of Spring Lake
Questionable Purchases by Employee**

<u>Employee Title</u>	<u>Number of Transactions</u>	<u>Amount</u>
Fleet Maintenance Technician	3	\$ 332.01
* Fire Fighter	4	\$ 330.16
Fleet Supervisor	3	\$ 292.13
Revenue Supervisor	2	\$ 291.59
Water Resources Manager	5	\$ 290.58
* Payroll Clerk	9	\$ 272.18
* Fire Fighter	1	\$ 259.19
Accounts Payable Clerk	3	\$ 253.23
Utilities Director	4	\$ 212.26
Recreation Program Coordinator	4	\$ 204.50
* Police Administrative Assistant	2	\$ 179.86
Fire Department Administrative Assistant	5	\$ 163.71
* Revenue Collection Supervisor	2	\$ 147.53
* Revenue Division Supervisor	2	\$ 130.87
* Fire Fighter	3	\$ 125.34
Recreation Program Coordinator	7	\$ 119.39
Police Lieutenant	4	\$ 110.52
* Town Manager	3	\$ 107.70
* Town Hall Administrative Assistant	2	\$ 101.77
Meter Reader	2	\$ 84.75
Police Sergeant	4	\$ 81.15
Town Manager Administrative Assistant	3	\$ 79.88
Police Department Office Assistant	2	\$ 72.81
* Police Captain	2	\$ 66.93
Fire Fighter	1	\$ 55.00
Fire Fighter	2	\$ 46.29
* Police Officer	3	\$ 45.58
Code Enforcement Inspector	4	\$ 30.75
Public Works Director	1	\$ 26.64
Fire Captain C Shift	1	\$ 22.85
* Recreation Director	1	\$ 20.78

**Town of Spring Lake
Questionable Purchases by Employee**

<u>Employee Title</u>	<u>Number of Transactions</u>	<u>Amount</u>
Patrol Officer	1	\$ 11.48
* Yard Debris Supervisor	3	\$ 10.17
* Inspection Supervisor	1	\$ 7.14
Waste Water Treatment Plant ORC	1	\$ 4.22
Total Questionable Purchases by Employee	<u>1,448</u>	<u>\$ 122,434.53</u>

*Former Town Employee

**Town of Spring Lake
Questionable Purchases by Merchant**

Merchant / Payee	Number of Transactions	Amount
WALMART	608	\$ 47,806.13
THIRTY-ONE	8	\$ 3,551.19
TARGET	23	\$ 3,260.16
SPIRIT HALLOWEEN	5	\$ 2,841.43
ONLINE INFORMATION SVC	7	\$ 2,133.36
ORIGAMI OWL, LLC	1	\$ 2,030.87
PPL BEACHBODY	15	\$ 1,921.32
4IMPRINT	2	\$ 1,872.16
SUBWAY	37	\$ 1,858.75
PARTY CITY	17	\$ 1,796.15
LOWE'S	13	\$ 1,734.06
FT BRAGG NORTH COMMISSARY	37	\$ 1,713.35
AMERICAN UNIFORM SALES	7	\$ 1,569.25
KMART	5	\$ 1,559.75
CHRISTMAS DONE BRIGHT	1	\$ 1,464.75
BEST BUY	2	\$ 1,411.28
RUBY TUESDAY	32	\$ 1,410.54
STAPLES	9	\$ 1,377.54
HOBBY LOBBY	21	\$ 1,327.81
BROOKLYN PIZZERIA	19	\$ 1,323.01
EDIBLE ARRANGEMENTS	13	\$ 1,316.40
PROMO DIRECT	1	\$ 1,297.20
BIG LOTS STORES	11	\$ 1,242.61
ORIENTAL TRADING CO	15	\$ 1,236.74
DOLLAR TREE	25	\$ 1,131.91
TOYS "R" US	12	\$ 1,118.34
FOOD LION	15	\$ 1,043.04
PARTY LAND	1	\$ 1,003.00
THE TROPHY HOUSE	6	\$ 846.54
JASON'S DELI	3	\$ 843.38
BARNES & NOBLE	5	\$ 749.72

**Town of Spring Lake
Questionable Purchases by Merchant**

<u>Merchant / Payee</u>	<u>Number of Transactions</u>	<u>Amount</u>
CALIFORNIA CONTRACTORS	1	\$ 747.92
QUILL CORPORATION	4	\$ 729.43
KANGAROO EXPRESS	36	\$ 724.73
TJ MAXX	7	\$ 706.94
KRISPY KREME DOUGHNUTS	13	\$ 614.10
PAYPAL	11	\$ 595.62
DICK'S SPORTING GOODS	3	\$ 553.73
UNITED AIR	3	\$ 550.50
O'GARRA, JAMES	3	\$ 536.00
MILLENNIUM HOTEL UNIVERSITY	3	\$ 513.35
CARLIE C'S IGA	7	\$ 485.47
MCDONALD'S	20	\$ 439.67
AMERICMARK DIRECT	1	\$ 422.36
VERIZON WIRELESS	1	\$ 410.48
MICHAELS STORES	6	\$ 413.17
AT&T BILL PAYMENT	1	\$ 383.39
AMAZON.COM	12	\$ 343.58
KFC	8	\$ 329.59
NEW DELI	2	\$ 326.63
WEST, TINA	4	\$ 322.73
RUGRATS	2	\$ 320.00
SKYLAND FLORIST AND GIFTS	5	\$ 316.72
GAI W THE FIRM WEB	2	\$ 316.47
PLAY IT AGAIN SPORTS	1	\$ 312.01
FRANCISCO, CLIFTON	2	\$ 300.00
MYRON MANUFACTURING	1	\$ 283.18
QUALITY SOUND & VIDEO	2	\$ 282.10
THE SHOPS OF MAIN STREET	3	\$ 272.10
IHOP	7	\$ 270.59
ROSS STORES	3	\$ 263.97
OURDESIGNS.COM	2	\$ 259.25

**Town of Spring Lake
Questionable Purchases by Merchant**

<u>Merchant / Payee</u>	<u>Number of Transactions</u>	<u>Amount</u>
JUST A RENTAL	2	\$ 251.88
APPLE STORE	1	\$ 244.35
EPROMOS PROMOTIONAL	1	\$ 243.21
WILLIAMS PRINTING & OFFICE	3	\$ 239.19
OFFICE DEPOT	4	\$ 238.56
DELTA AIR	1	\$ 235.20
FAYE RIDDLE INTERIORS	1	\$ 234.32
ICSC	2	\$ 230.00
PROMOTIONS NOW	1	\$ 227.01
AT&T	3	\$ 225.16
4 ALL PROMO'S / K-READ	1	\$ 224.00
DOMINO'S PIZZA	4	\$ 222.08
ACT CITY OF FAY	1	\$ 200.00
WWW.TRUMANPROJECT.ORG	1	\$ 200.00
A WIRELESS SPRING LAKE	1	\$ 195.23
MARCO'S PIZZA	5	\$ 185.90
CAPE FEAR VALLEY HEALTH	1	\$ 185.00
BJ WHOLESALE	3	\$ 177.17
WINDY CITY NOVELTIES	3	\$ 160.48
AC MOORE STORE	5	\$ 159.62
IN LIFE'S A STITCH	1	\$ 159.45
BOSTON MARKET	3	\$ 156.38
HARDEE'S	7	\$ 154.14
REY, CHRISTIA	4	\$ 151.93
BROWN, RODNEY	1	\$ 150.00
NOBLE	1	\$ 150.00
CARRABBA'S	1	\$ 148.34
MI CASITA	4	\$ 148.31
JOE'S CRAB-FAYETTEVILLE	1	\$ 147.40
NAME TAG	1	\$ 146.71
PAK CLEANERS	10	\$ 146.30

**Town of Spring Lake
Questionable Purchases by Merchant**

<u>Merchant / Payee</u>	<u>Number of Transactions</u>	<u>Amount</u>
BOJANGLES	7	\$ 145.32
CHRISTMAS TREE	2	\$ 143.39
SHELL OIL	2	\$ 140.92
CASUAL JACK'S	2	\$ 139.76
HOME DEPOT	1	\$ 138.82
PIZZA HUT	2	\$ 136.62
DUNKIN DONUTS	2	\$ 135.73
SIMPLY TO IMPRESS	1	\$ 135.00
BED BATH & BEYOND	2	\$ 131.56
DISPLAYS2GOCOM	1	\$ 125.84
FASTBALLOONS.COM	1	\$ 125.62
BRAGG MCKELLARS LODGE	1	\$ 113.75
CHILI'S	2	\$ 111.98
GNC	1	\$ 107.79
J & M MARTIAL ARTS INC	4	\$ 107.00
GREAT WOLF CONCORD	1	\$ 105.00
JOHN - BEVERLY	1	\$ 103.28
B & T SALES COMPANY	1	\$ 101.94
HOMEGOODS	1	\$ 101.55
THE SWEET PALETTE	1	\$ 100.85
METCALF, KENNETH	1	\$ 100.30
CHEDDAR'S	2	\$ 100.10
FAMILY DOLLAR	4	\$ 99.65
OAKSTONE PUBLISH WELLNESS	1	\$ 99.60
AMAZON PRIME MEMBERSHIP	1	\$ 99.00
WWW.LOGMEIN.COM	1	\$ 99.00
HOLIDAY INN EXPRESS	1	\$ 97.90
BRAGG SPORTS USA BUFFET	2	\$ 93.70
BATH & BODY WORKS	2	\$ 93.36
MONARCH CLEANERS	1	\$ 92.23
SAVE A LOT	1	\$ 90.92

**Town of Spring Lake
Questionable Purchases by Merchant**

Merchant / Payee	Number of Transactions	Amount
KIRKLAND'S	1	\$ 88.77
BLUMENFELD, BYRON	1	\$ 85.00
SONIC	5	\$ 81.29
WALGREENS	7	\$ 80.79
STITCH IN TIME	1	\$ 80.25
MURPHY EXPRESS	2	\$ 78.03
T MOBILE	1	\$ 76.00
CHILD ADVOCACY CENTER	1	\$ 75.00
JAY'S FOOD MART	1	\$ 75.00
O'CHARLEY'S	4	\$ 71.44
THE BELL TREE	1	\$ 70.91
SAMMIO'S ITALIAN RESTAURANT	2	\$ 68.00
APPLEBEE'S	3	\$ 66.46
HARRIS TEETER	1	\$ 66.07
UNITED DISCOUNT TOBACCO	1	\$ 65.01
SHEETZ	1	\$ 64.43
JOANN FABRIC	1	\$ 63.99
NICOLE'S FLORIST	1	\$ 62.98
GEANG'S RESTAURANT	2	\$ 62.78
LOWE'S FOODS	1	\$ 61.02
BREWER'S FLAME STEAK HOUSE	1	\$ 60.55
NATTY GREENE'S PUB AND BREWING	1	\$ 59.37
THINGS REMEMBERED	1	\$ 58.96
JCPENNEY	1	\$ 57.75
CHICK-FIL-A	3	\$ 56.44
FOWLER PHARMACY	1	\$ 56.16
TINT PROS	1	\$ 55.00
THE BIG EASY	1	\$ 54.95
GOLDEN CORRAL	3	\$ 54.51
DAIRY QUEEN	2	\$ 53.98
DRI TECHSMITH	1	\$ 53.45

**Town of Spring Lake
Questionable Purchases by Merchant**

Merchant / Payee	Number of Transactions	Amount
APPLE ITUNE STORE	8	\$ 52.20
CVS PHARMACY	2	\$ 50.88
CLAYTON BRITT AND SONS	1	\$ 50.28
TRAVEL INSURANCE POLICY	1	\$ 50.12
CHEMISTRY STORE.COM	1	\$ 49.37
KINLAW'S SUPERMARKET	1	\$ 48.65
LAUREL VALLEY PREMIUM WATER	1	\$ 45.81
ZAXBY'S	2	\$ 43.22
OLIVE GARDEN	1	\$ 39.68
SALSA & BEER	1	\$ 39.25
RED LOBSTER	1	\$ 38.16
SPRINT BY N TOUCH WIRELESS	2	\$ 37.43
DALE'S SEAFOOD	2	\$ 37.00
MCDUFFIE, TROY	1	\$ 35.00
DOGWOOD DARLINS INC	1	\$ 33.71
QUIZNO'S SUB	1	\$ 32.40
HOSPITAL AUXILIARY DMP	1	\$ 31.66
PARTYCHEAP.COM	1	\$ 31.51
SWEET MAGNOLIAS	1	\$ 30.96
RAKUTEN.COM BUY.COM	2	\$ 30.85
DOA FAIR ETIX TICKETS	2	\$ 30.80
BOULEVARD AMOCO	1	\$ 30.00
FAT TONY'S ITALIAN	1	\$ 29.10
TEXAS ROADHOUSE	1	\$ 29.00
MJ'S RAW BAR & GRILLE	1	\$ 28.24
BERT'S SURF SHOP	1	\$ 27.76
LET ME CATER TO YOU	1	\$ 27.29
TACO BELL	1	\$ 26.63
BAHAMA BREEZE	1	\$ 26.36
QUICK PACK & SHIP	1	\$ 25.95
JIN'S ASIAN MARKET	1	\$ 25.13

**Town of Spring Lake
Questionable Purchases by Merchant**

Merchant / Payee	Number of Transactions	Amount
GROUPON INC	1	\$ 25.00
HILLTOP HOUSE	1	\$ 24.48
RED ROBIN	1	\$ 24.36
FATZ CAFÉ	2	\$ 24.00
FIREHOUSE SUBS	3	\$ 22.76
LADY FOOT LOCKER	1	\$ 22.47
VIC'S RISTORANTE AND ITALIAN	1	\$ 21.70
GOLDEN CHINA	1	\$ 21.60
HUSKE HARDWARE HOUSE	1	\$ 21.57
LIFEWAY CHRISTIAN STORE	1	\$ 21.39
BELK CROSS CREEK	1	\$ 21.38
LANDMARK RESORT	2	\$ 20.98
INT GOIN' POSTAL	1	\$ 19.27
GEORGE'S PASTAS GYROS	1	\$ 18.96
GOOGLE	6	\$ 17.94
NONNA'S RESTAURANT	1	\$ 17.69
SCNB	1	\$ 16.77
RICHARDSON, JONATHAN	1	\$ 16.02
DILL CONCESSIONS	2	\$ 16.00
DOLLAR GENERAL	1	\$ 14.93
BARLEY'S TAP ROOM AND PIZZA	1	\$ 14.25
NORTH CAROLINA STATE FIRE	1	\$ 14.00
REA	1	\$ 13.88
SUNRISE CAFE	2	\$ 13.75
SHERRYS BAKERY-GRILL	1	\$ 13.72
THOMAS, DONALD	1	\$ 13.00
LAFAYETTE LANES	1	\$ 12.00
ZOES	1	\$ 11.53
WILCO	1	\$ 11.48
BAY BREEZE OF SANFORD	1	\$ 11.00
SMITHFIELDS	2	\$ 10.33

**Town of Spring Lake
Questionable Purchases by Merchant**

<u>Merchant / Payee</u>	<u>Number of Transactions</u>	<u>Amount</u>
RESOLUTE PARTNERS	1	\$ 9.50
LA FARM BAKERY SALE	2	\$ 9.00
GOMOBILENOTARY.COM	1	\$ 8.90
GREAT AMERICAN COOKIE	1	\$ 8.72
PANERA BREAD	1	\$ 7.98
BURGER KING	1	\$ 7.90
POPEYES - BRAGG	1	\$ 7.87
STARBUCKS	1	\$ 6.26
CAN STOCK PHOTO	2	\$ 6.00
REDBOX DVD RENTAL	2	\$ 5.14
CFVMC PARKING DECK	1	\$ 5.00
CHARLOTTE PLAZA	1	\$ 5.00
KROGER FUEL	1	\$ 4.74
NASH C.C. MIDWAY CA	1	\$ 4.47
MCLAURIN PARKING	1	\$ 4.00
RALEIGH PARKING METERS	2	\$ 3.75
DANA SAFETY SUPPLY	1	\$ 3.71
SUNOCO	1	\$ 3.22
NCSU ALL CAMPUS MIC	1	\$ 2.10
STATE PARKING DIVISION	1	\$ 2.00
Total Questionable Purchases by Merchant	1,448	\$ 122,434.53

**Town of Spring Lake
Former Town Manager's Procurement Card Charges**

Personal Purchases

<u>Date</u>	<u>Vendor</u>	<u>Amount</u>
11/20/2011	WALMART	\$ 29.87
12/22/2011	CARRABBA'S	\$ 148.34
12/13/2012	CFVMC PARKING DECK	\$ 5.00
12/14/2012	HARDEE'S	\$ 7.96
8/5/2013	WALMART	\$ 20.93
9/7/2013	AT&T	\$ 68.45
10/18/2013	LET ME CATER TO YOU	\$ 27.29
11/19/2013	RUBY TUESDAY	\$ 59.91
2/1/2014	WALMART	\$ 6.06
3/15/2014	WALMART	\$ 38.20
4/5/2014	DRI TECHSMITH	\$ 53.45
4/5/2014	SONIC	\$ 12.71
4/19/2014	BOSTON MARKET	\$ 110.14
5/8/2014	WALMART	\$ 13.65
6/8/2014	WALMART	\$ 16.81
6/14/2014	WALMART	\$ 166.19
6/15/2014	WALMART	\$ 61.82
6/16/2014	BOSTON MARKET	\$ 24.68
7/1/2014	SHELL OIL	\$ 72.21
7/2/2014	MILLENNIUM HOTEL UNIVERSITY	\$ 150.86
7/3/2014	RUBY TUESDAY	\$ 26.57
7/14/2014	RUBY TUESDAY	\$ 35.88
7/29/2014	CHEDDAR'S	\$ 51.72
7/30/2014	CHEDDAR'S	\$ 48.38
7/30/2014	WALMART	\$ 25.82
8/6/2014	MILLENNIUM HOTEL UNIVERSITY	\$ 202.49
8/21/2014	MILLENNIUM HOTEL UNIVERSITY	\$ 160.00
8/28/2014	ATT BILL PAYMENT	\$ 383.39
8/28/2014	MCDONALD'S	\$ 10.25
9/24/2014	CHILI'S	\$ 47.90
9/29/2014	MCDONALD'S	\$ 5.93
12/17/2014	SONIC	\$ 6.47
2/23/2015	MURPHY EXPRESS	\$ 43.74
2/24/2015	WALMART	\$ 4.61
3/6/2015	MCDONALD'S	\$ 7.25
Total Personal Purchases		<u>\$ 2,154.93</u>

**Town of Spring Lake
Former Town Manager's Procurement Card Charges**

Questionable Food Purchases

<u>Date</u>	<u>Restaurant/Store</u>	<u>Amount</u>
9/15/2011	SONIC	\$ 18.33
11/11/2011	KRISPY KREME DOUGHNUTS	\$ 63.66
1/5/2012	SUBWAY	\$ 17.82
1/10/2012	RUBY TUESDAY	\$ 48.44
2/14/2012	BROOKLYN PIZZERIA	\$ 52.38
3/6/2012	IHOP	\$ 31.58
3/30/2012	PIZZA HUT	\$ 43.20
4/28/2012	WALMART	\$ 123.77
5/11/2012	WALMART	\$ 47.29
6/29/2012	IHOP	\$ 30.97
6/29/2012	WALMART	\$ 68.28
8/14/2012	WALMART	\$ 44.44
9/12/2012	WALMART	\$ 30.39
10/3/2012	EDIBLE ARRANGEMENTS	\$ 41.58
10/6/2012	WALMART	\$ 72.54
10/16/2012	WALMART	\$ 20.30
10/27/2012	BROOKLYN PIZZERIA	\$ 80.00
1/29/2013	WALMART	\$ 13.63
2/14/2013	BROOKLYN PIZZERIA	\$ 60.00
4/13/2013	WALMART	\$ 89.96
5/8/2013	GEANG'S RESTAURANT	\$ 17.12
7/29/2013	WALMART	\$ 64.46
8/19/2013	WALMART	\$ 20.91
9/23/2013	SUBWAY	\$ 20.79
11/11/2013	KRISPY KREME DOUGHNUTS	\$ 77.86
1/26/2014	KFC	\$ 64.82
2/4/2014	SWEET MAGNOLIAS	\$ 30.96
2/14/2014	BROOKLYN PIZZERIA	\$ 92.67
2/14/2014	KFC	\$ 30.23

**Town of Spring Lake
Former Town Manager's Procurement Card Charges**

Questionable Food Purchases

<u>Date</u>	<u>Restaurant/Store</u>	<u>Amount</u>
4/3/2014	RUBY TUESDAY	\$ 52.22
6/19/2014	RUBY TUESDAY	\$ 36.83
7/17/2014	RUBY TUESDAY	\$ 26.57
7/19/2014	IHOP	\$ 44.20
7/21/2014	RUBY TUESDAY	\$ 31.15
8/28/2014	MCDONALD'S	\$ 10.77
9/11/2014	DUNKIN DONUTS	\$ 58.27
9/22/2014	SUBWAY	\$ 52.92
9/22/2014	WALMART	\$ 8.81
9/29/2014	HARDEE'S	\$ 39.02
9/29/2014	MCDONALD'S	\$ 13.67
9/29/2014	MCDONALD'S	\$ 10.79
10/4/2014	IHOP	\$ 32.46
10/30/2014	THE SWEET PALETTE	\$ 100.85
11/1/2014	WALMART	\$ 47.09
1/9/2015	HARDEE'S	\$ 7.48
1/16/2015	RUBY TUESDAY	\$ 84.06
2/1/2015	IHOP	\$ 49.06
2/4/2015	RUBY TUESDAY	\$ 41.10
Total Questionable Food Purchases		<u>\$ 2,165.70</u>

**Town of Spring Lake
Interim Recreation Director's Procurement Card Charges**

Questionable Purchases

<u>Date</u>	<u>Vendor</u>	<u>Amount</u>
9/14/2011	WALMART	\$ 79.43
10/12/2011	BIG LOTS	\$ 257.42
10/12/2011	THE HOME DEPOT	\$ 138.82
10/13/2011	BIG LOTS	\$ 237.43
10/15/2011	WALMART	\$ 27.80
10/17/2011	WALMART	\$ 211.98
10/18/2011	WALMART	\$ 259.69
10/19/2011	WALMART	\$ 255.43
10/20/2011	TARGET	\$ 295.81
10/22/2011	WALMART	\$ 115.77
10/22/2011	BIG LOTS	\$ 63.67
10/22/2011	WALMART	\$ 53.67
10/22/2011	LOWE'S	\$ 21.36
10/22/2011	DOLLAR TREE	\$ 12.84
10/24/2011	WALMART	\$ 186.51
11/2/2011	KRISPY KREME DOUGHNUTS	\$ 30.21
11/3/2011	WALMART	\$ 144.47
11/8/2011	FAMILY DOLLAR	\$ 48.78
12/1/2011	BED BATH & BEYOND	\$ 117.66
12/5/2011	WALMART	\$ 265.74
12/12/2011	WALMART	\$ 213.39
2/14/2012	KRISPY KREME DOUGHNUTS	\$ 17.26
2/22/2012	WALMART	\$ 209.02
3/15/2012	TARGET	\$ 213.36
3/21/2012	WALMART	\$ 347.88
3/21/2012	WALMART	\$ 62.03
3/25/2012	TARGET	\$ 262.56
4/9/2012	KRISPY KREME DOUGHNUTS	\$ 17.26
5/5/2012	PPL BEACHBODY	\$ 169.07
5/9/2012	PPL BEACHBODY	\$ 281.37
8/23/2012	WILLIAMS PRINTING & OFFICE	\$ 139.10
9/2/2012	TJMAXX	\$ 21.38
9/17/2012	WALMART	\$ 225.11
9/17/2012	BIG LOTS STORES	\$ 130.54

**Town of Spring Lake
Interim Recreation Director's Procurement Card Charges**

Questionable Purchases

<u>Date</u>	<u>Vendor</u>	<u>Amount</u>
9/18/2012	TARGET	\$ 111.13
9/19/2012	SPIRIT HALLOWEEN	\$ 486.81
9/24/2012	PARTY CITY	\$ 266.06
9/24/2012	SPIRIT HALLOWEEN	\$ 171.19
9/24/2012	DOLLAR TREE	\$ 97.37
9/25/2012	WALMART	\$ 158.08
9/25/2012	DOLLAR TREE	\$ 11.77
10/15/2012	KMART	\$ 354.48
10/15/2012	LOWE'S	\$ 234.14
10/15/2012	TJMAXX	\$ 175.33
10/15/2012	WALMART	\$ 89.05
10/15/2012	KMART	\$ 4.27
10/16/2012	WALMART	\$ 194.45
10/21/2012	DOLLAR TREE	\$ 178.69
10/21/2012	PARTY CITY	\$ 98.17
10/21/2012	TARGET	\$ 32.09
10/23/2012	PARTY CITY	\$ 380.44
10/23/2012	BARNES & NOBLE	\$ 241.61
10/24/2012	LOWE'S	\$ 193.88
10/26/2012	TARGET	\$ 81.23
10/27/2012	WALMART	\$ 343.94
10/27/2012	LOWE'S	\$ 33.64
10/28/2012	WALMART	\$ 184.56
10/30/2012	TARGET	\$ 38.43
11/19/2012	WILLIAMS PRINTING & OFFICE	\$ 69.55
11/27/2012	WALMART	\$ 350.63
11/28/2012	WALMART	\$ 354.56
12/13/2012	WALMART	\$ 241.43
12/13/2012	WALMART	\$ 227.26
12/13/2012	WALMART	\$ 41.95
12/13/2012	WALMART	\$ 21.31
12/13/2012	WALMART	\$ 17.12
1/20/2013	THIRTY-ONE	\$ 465.13
1/20/2013	THIRTY-ONE	\$ 320.10

**Town of Spring Lake
Interim Recreation Director's Procurement Card Charges**

Questionable Purchases

<u>Date</u>	<u>Vendor</u>	<u>Amount</u>
1/23/2013	WALMART	\$ 220.09
2/13/2013	WALMART	\$ 94.36
2/14/2013	KRISPY KREME DOUGHNUTS	\$ 17.26
2/27/2013	RUBY TUESDAY	\$ 24.95
3/1/2013	WALMART	\$ 189.27
3/1/2013	WALMART	\$ 78.57
3/6/2013	TARGET	\$ 373.82
3/9/2013	THIRTY-ONE	\$ 176.81
3/9/2013	BIG LOTS STORES	\$ 51.36
3/12/2013	PARTY LAND	\$ 1,003.00
3/15/2013	THIRTY-ONE	\$ 96.73
3/18/2013	TJMAXX	\$ 174.67
3/19/2013	TARGET	\$ 327.77
3/19/2013	TARGET	\$ 65.93
3/20/2013	WALMART	\$ 273.71
3/26/2013	ORIGAMI OWL, LLC	\$ 2,030.87
4/2/2013	WALMART	\$ 232.77
4/8/2013	WALMART	\$ 128.58
4/24/2013	WALMART	\$ 152.36
5/21/2013	WALMART	\$ 461.91
6/14/2013	THIRTY-ONE	\$ 120.18
6/24/2013	TARGET	\$ 3.73
7/29/2013	THIRTY-ONE	\$ 179.63
8/28/2013	SPIRIT HALLOWEEN	\$ 483.51
8/29/2013	TJMAXX	\$ 69.46
9/10/2013	PARTY CITY	\$ 347.56
9/10/2013	DOLLAR TREE	\$ 104.86
9/11/2013	KMART	\$ 271.52
9/12/2013	SPIRIT HALLOWEEN	\$ 959.59
9/20/2013	TARGET	\$ 181.90
9/24/2013	TARGET	\$ 142.38
9/24/2013	CHRISTMAS TREE	\$ 110.09
9/24/2013	TJMAXX	\$ 79.08
9/26/2013	THIRTY-ONE	\$ 1,392.50

**Town of Spring Lake
Interim Recreation Director's Procurement Card Charges**

Questionable Purchases

<u>Date</u>	<u>Vendor</u>	<u>Amount</u>
10/14/2013	LOWE'S	\$ 315.93
10/25/2013	WALMART	\$ 503.54
10/25/2013	DOLLAR TREE	\$ 46.01
11/26/2013	WALMART	\$ 236.75
12/2/2013	WALMART	\$ 127.39
12/2/2013	WALMART	\$ 92.09
3/21/2014	TARGET	\$ 265.40
3/26/2014	WALMART	\$ 254.80
3/27/2014	WALMART	\$ 458.16
3/28/2014	TARGET	\$ 216.20
4/4/2014	TARGET	\$ 12.84
5/2/2014	A WIRELESS SPRING LAKE	\$ 195.23
5/8/2014	THE SHOPS OF MAIN STREET	\$ 26.22
9/23/2014	HOMEGOODS	\$ 101.55
9/25/2014	SPIRIT HALLOWEEN	\$ 740.33
9/25/2014	PARTY CITY	\$ 96.28
9/25/2014	DOLLAR TREE	\$ 78.11
9/30/2014	KMART	\$ 484.80
9/30/2014	LOWE'S	\$ 235.59
9/30/2014	TJMAXX	\$ 37.40
10/7/2014	TARGET	\$ 240.70
10/7/2014	CHRISTMAS TREE	\$ 33.30
10/8/2014	KMART	\$ 444.68
10/18/2014	FOOD LION	\$ 21.53
10/21/2014	WALMART	\$ 406.15
10/24/2014	WALMART	\$ 292.46
10/24/2014	TARGET	\$ 67.88
10/25/2014	PIZZA HUT	\$ 93.42
10/25/2014	WALMART	\$ 61.92
11/11/2014	TARGET	\$ 25.00
12/22/2014	FOOD LION	\$ 305.95
12/22/2014	FOOD LION	\$ 267.92
Total Questionable Purchases		<u>\$ 28,809.98</u>

**Town of Spring Lake
Former Interim Finance Director's Procurement Card Charges**

Questionable Purchases

<u>Date</u>	<u>Vendor</u>	<u>Amount</u>
8/8/2011	WALMART	\$ 103.58
8/26/2011	PROMO DIRECT	\$ 1,297.20
9/6/2011	WALMART	\$ 9.53
9/7/2011	WALMART	\$ 51.58
9/7/2011	WALMART	\$ 20.82
9/8/2011	KRISPY KREME DOUGHNUTS	\$ 89.54
10/31/2011	HOBBY LOBBY	\$ 148.69
11/13/2011	WALMART	\$ 121.73
11/14/2011	WALMART	\$ 146.85
11/15/2011	TOYS "R" US	\$ 105.20
11/15/2011	WALMART	\$ 2.29
11/19/2011	MONARCH CLEANERS	\$ 92.23
11/28/2011	TOYS "R" US	\$ 131.52
12/12/2011	MICHAELS	\$ 49.16
12/12/2011	LOWES	\$ 41.67
12/12/2011	HOBBY LOBBY	\$ 35.45
12/12/2011	HOBBY LOBBY	\$ 9.60
12/13/2011	WALMART	\$ 215.00
12/13/2011	HOBBY LOBBY	\$ 61.21
12/13/2011	WALMART	\$ 49.87
12/20/2011	WALMART	\$ 39.86
12/20/2011	DOLLAR TREE	\$ 16.05
1/5/2012	TOYS "R" US	\$ 135.11
1/5/2012	TOYS "R" US	\$ 44.90
1/13/2012	WALMART	\$ 35.02
1/18/2012	BREWER'S FLAME STEAK HOUSE	\$ 60.55
3/29/2012	UNITED DISCOUNT TOBACCO	\$ 65.01
4/5/2012	WALMART	\$ 54.13
4/12/2012	WALMART	\$ 5.07
4/12/2012	GOOGLE	\$ 2.99
4/17/2012	WALMART	\$ 10.67
4/23/2012	WALMART	\$ 32.83
4/26/2012	EDIBLE ARRANGEMENTS	\$ 61.77
5/2/2012	GOOGLE	\$ 2.99

**Town of Spring Lake
Former Interim Finance Director's Procurement Card Charges**

Questionable Purchases

<u>Date</u>	<u>Vendor</u>	<u>Amount</u>
5/2/2012	GOOGLE	\$ 2.99
5/3/2012	TARGET	\$ 17.12
5/8/2012	PAYPAL	\$ 55.37
5/9/2012	PPL BEACHBODY	\$ 29.28
5/10/2012	GROUPON INC	\$ 25.00
5/11/2012	PPL BEACHBODY	\$ 270.72
5/15/2012	ROSS STORES	\$ 136.80
5/16/2012	THE TROPHY HOUSE	\$ 309.27
5/16/2012	PPL BEACHBODY	\$ 163.78
5/16/2012	WALMART	\$ 19.79
5/21/2012	WALMART	\$ 60.73
5/23/2012	PPL BEACHBODY	\$ 84.73
5/23/2012	WALMART	\$ 36.74
5/23/2012	WALMART	\$ 12.84
6/6/2012	WALMART	\$ 55.17
6/7/2012	WALMART	\$ 22.64
6/8/2012	PPL BEACHBODY	\$ 62.72
6/14/2012	EDIBLE ARRANGEMENTS	\$ 71.28
6/14/2012	NICOLE'S FLORIST	\$ 62.98
6/21/2012	PPL BEACHBODY	\$ 52.90
6/22/2012	BERT'S SURF SHOP	\$ 27.76
6/27/2012	PAYPAL	\$ 251.91
6/27/2012	DICK'S SPORTING GOODS	\$ 249.75
6/27/2012	GNC	\$ 107.79
6/27/2012	PARTY CITY	\$ 8.51
6/27/2012	GOOGLE	\$ 2.99
6/27/2012	PAYPAL	\$ 2.50
6/28/2012	WALMART	\$ 110.45
6/29/2012	BEST BUY	\$ 913.76
6/29/2012	PLAY IT AGAIN SPORTS	\$ 312.01
6/29/2012	WALMART	\$ 283.27
6/29/2012	WALMART	\$ 275.35
6/29/2012	DICK'S SPORTING GOODS	\$ 271.90
6/29/2012	BARNES & NOBLE	\$ 266.32

**Town of Spring Lake
Former Interim Finance Director's Procurement Card Charges**

Questionable Purchases

<u>Date</u>	<u>Vendor</u>	<u>Amount</u>
6/29/2012	THE TROPHY HOUSE	\$ 240.35
6/29/2012	EDIBLE ARRANGEMENTS	\$ 200.88
6/29/2012	TJMAXX	\$ 149.62
6/29/2012	ROSS STORES	\$ 83.35
6/29/2012	GOOGLE	\$ 2.99
6/30/2012	WALMART	\$ 300.00
6/30/2012	WALMART	\$ 200.00
7/2/2012	PPL BEACHBODY	\$ 154.94
7/3/2012	GAI W THE FIRM WEB	\$ 211.51
7/3/2012	GAI W THE FIRM WEB	\$ 104.96
7/4/2012	PAYPAL	\$ 71.99
7/5/2012	4IMPRINT	\$ 295.51
7/5/2012	WALMART	\$ 97.67
7/5/2012	WALMART	\$ 15.42
7/8/2012	PPL BEACHBODY	\$ 62.72
7/21/2012	PPL BEACHBODY	\$ 52.90
7/21/2012	WALMART	\$ 21.34
7/23/2012	AMAZON.COM	\$ 27.94
7/23/2012	AMAZON.COM	\$ 12.45
7/23/2012	AMAZON.COM	\$ 11.18
7/24/2012	WALMART	\$ 54.89
7/25/2012	AMAZON.COM	\$ 8.20
7/26/2012	WALMART	\$ 23.21
7/30/2012	EDIBLE ARRANGEMENTS	\$ 37.80
7/31/2012	BROOKLYN PIZZERIA	\$ 26.17
8/6/2012	RUBY TUESDAY	\$ 29.89
8/7/2012	PPL BEACHBODY	\$ 62.72
8/7/2012	WALMART	\$ 7.34
8/27/2012	STAPLES	\$ 25.13
8/28/2012	SUBWAY	\$ 71.28
8/28/2012	WALMART	\$ 30.36
9/5/2012	DAIRY QUEEN	\$ 28.07
9/25/2012	ROSS STORES	\$ 43.82
9/26/2012	WALMART	\$ 10.94

**Town of Spring Lake
Former Interim Finance Director's Procurement Card Charges**

Questionable Purchases

<u>Date</u>	<u>Vendor</u>	<u>Amount</u>
10/7/2012	WALMART	\$ 9.50
10/9/2012	WALMART	\$ 27.56
10/10/2012	BROOKLYN PIZZERIA	\$ 165.00
10/10/2012	BATH & BODY WORKS	\$ 40.93
10/10/2012	LADY FOOT LOCKER	\$ 22.47
10/10/2012	BELK CROSS CREEK	\$ 21.38
10/11/2012	DOGWOOD DARLINS INC	\$ 33.71
10/15/2012	WALMART	\$ 11.61
10/17/2012	WALMART	\$ 94.16
10/30/2012	WALMART	\$ 34.86
11/1/2012	WALMART	\$ 8.71
11/1/2012	GOOGLE	\$ 2.99
11/8/2012	KRISPY KREME DOUGHNUTS	\$ 42.01
11/12/2012	WALMART	\$ 96.16
11/13/2012	WALMART	\$ 178.72
11/13/2012	HOBBY LOBBY	\$ 113.30
11/13/2012	WALMART	\$ 101.06
11/13/2012	PARTY CITY	\$ 19.17
11/13/2012	BROOKLYN PIZZERIA	\$ 8.64
11/14/2012	WALMART	\$ 126.67
11/14/2012	WALMART	\$ 9.56
11/15/2012	WALMART	\$ 50.10
11/21/2012	OAKSTONE PUBLISH WELLNESS	\$ 99.60
11/29/2012	4IMPRINT	\$ 1,576.65
11/29/2012	WALMART	\$ 102.81
11/29/2012	HOBBY LOBBY	\$ 27.19
12/5/2012	TOYS "R" US	\$ 67.68
12/6/2012	WALMART	\$ 12.67
12/11/2012	FOOD LION	\$ 14.02
12/15/2012	HOBBY LOBBY	\$ 4.27
12/18/2012	WALMART	\$ 50.00
12/18/2012	WALMART	\$ 49.12
12/18/2012	WALMART	\$ 5.19

**Town of Spring Lake
Former Interim Finance Director's Procurement Card Charges**

Questionable Purchases

<u>Date</u>	<u>Vendor</u>	<u>Amount</u>
1/25/2013	BROOKLYN PIZZERIA	\$ 175.00
1/31/2013	WALMART	\$ 17.89
2/4/2013	WALMART	\$ 38.91
2/5/2013	WALMART	\$ 259.15
2/5/2013	WALMART	\$ 42.48
2/5/2013	WALMART	\$ 4.72
2/6/2013	PPL BEACHBODY	\$ 158.59
2/12/2013	AMAZON.COM	\$ 81.99
2/13/2013	WALMART	\$ 105.42
2/15/2013	PPL BEACHBODY	\$ 150.94
2/20/2013	WALMART	\$ 114.12
2/20/2013	SUBWAY	\$ 90.00
2/20/2013	KFC	\$ 5.93
3/6/2013	SUBWAY	\$ 140.00
3/6/2013	WALMART	\$ 29.26
3/13/2013	SUBWAY	\$ 43.74
3/13/2013	QUIZNO'S SUB	\$ 32.40
3/14/2013	WALMART	\$ 58.35
3/19/2013	SUBWAY	\$ 68.85
3/19/2013	WALMART	\$ 31.88
3/25/2013	RUBY TUESDAY	\$ 27.72
3/30/2013	THIRTY-ONE	\$ 800.11
3/31/2013	PAYPAL	\$ 40.99
4/5/2013	AMAZON.COM	\$ 10.97
4/8/2013	WALMART	\$ 107.15
4/11/2013	WALMART	\$ 20.32
4/17/2013	WALMART	\$ 54.85
4/17/2013	WALMART	\$ 8.63
4/18/2013	WALMART	\$ 34.55
4/19/2013	WALMART	\$ 29.52
4/23/2013	AC MOORE	\$ 11.21
4/25/2013	TOYS "R" US	\$ 133.96
4/25/2013	WALMART	\$ 46.54
4/25/2013	SUBWAY	\$ 37.80

**Town of Spring Lake
Former Interim Finance Director's Procurement Card Charges**

Questionable Purchases

<u>Date</u>	<u>Vendor</u>	<u>Amount</u>
5/7/2013	KFC	\$ 86.36
5/13/2013	AMAZON.COM	\$ 51.14
5/21/2013	PARTY CITY	\$ 55.36
6/29/2013	STAPLES	\$ 366.05
6/29/2013	LOWES	\$ 130.33
6/29/2013	TOYS "R" US	\$ 123.91
6/30/2013	WALMART	\$ 198.91
6/30/2013	AMAZON.COM	\$ 6.80
7/9/2013	EDIBLE ARRANGEMENTS	\$ 70.31
7/9/2013	EDIBLE ARRANGEMENTS	\$ 70.31
7/9/2013	STAPLES	\$ 27.98
7/23/2013	LOWES	\$ 222.54
9/27/2013	TOYS "R" US	\$ 107.81
10/1/2013	TOYS "R" US	\$ 18.81
10/2/2013	WEST, TINA	\$ 37.29
10/17/2013	HOBBY LOBBY	\$ 61.50
11/6/2013	BOULEVARD AMOCO	\$ 30.00
12/17/2013	MICHAELS STORES	\$ 33.34
12/18/2013	WALMART	\$ 51.58
12/18/2013	PARTY CITY	\$ 30.93
12/18/2013	HOBBY LOBBY	\$ 23.45
12/18/2013	WALMART	\$ 7.25
12/27/2013	WALMART	\$ 4.89
12/31/2013	WALMART	\$ 12.25
1/8/2014	WEST, TINA	\$ 78.54
2/7/2014	WEST, TINA	\$ 93.90
3/27/2014	CASUAL JACKS	\$ 111.68
4/7/2014	HOSPITAL AUXILIARY DMP	\$ 31.66
5/7/2014	MI CASITA	\$ 90.00
6/6/2014	WALMART	\$ 34.95
6/11/2014	AMAZON PRIME MEMBERSHIP	\$ 99.00
6/13/2014	WALMART	\$ 42.13
9/23/2014	TOYS "R" US	\$ 71.64

**Town of Spring Lake
Former Interim Finance Director's Procurement Card Charges**

Questionable Purchases

<u>Date</u>	<u>Vendor</u>	<u>Amount</u>
10/1/2014	WEST, TINA	\$ 113.00
10/6/2014	EDIBLE ARRANGEMENTS	\$ 98.27
10/6/2014	HOBBY LOBBY	\$ 21.91
10/13/2014	AMAZON.COM	\$ 89.64
11/30/2014	SONIC	\$ 34.19
11/30/2014	SONIC	\$ 9.59
12/12/2014	CHICK-FIL-A	\$ 35.90
12/12/2014	WALMART	\$ 12.81
12/15/2014	WALMART	\$ 57.36
12/16/2014	MICHAELS STORES	\$ 234.47
12/16/2014	HOBBY LOBBY	\$ 106.80
12/23/2014	WALMART	\$ 5.44
12/29/2014	HOBBY LOBBY	\$ 31.67
1/5/2015	WALMART	\$ 21.27
1/5/2015	WALMART	\$ 19.23
1/14/2015	TOYS "R" US	\$ 153.20
1/14/2015	BJ WHOLESALE	\$ 61.22
1/14/2015	STAPLES	\$ 43.31
1/14/2015	OFFICE DEPOT	\$ 17.74
1/15/2015	THE SHOPS OF MAIN STREET	\$ 75.00
1/15/2015	WALMART	\$ 15.00
1/26/2015	RUBY TUESDAY	\$ 36.48
2/6/2015	THE BELL TREE	\$ 70.91
2/19/2015	RUBY TUESDAY	\$ 47.06
2/20/2015	WALMART	\$ 22.96
Total Questionable Purchases		<u><u>\$ 20,922.77</u></u>

North Carolina General Statutes

§ 14-90. Embezzlement of property received by virtue of office or employment.

- (a) This section shall apply to any person:
- (1) Exercising a public trust.
 - (2) Holding a public office.
 - (3) Who is a guardian, administrator, executor, trustee, or any receiver, or any other fiduciary, including, but not limited to, a settlement agent, as defined in G.S. 45A-3.
 - (4) Who is an officer or agent of a corporation, or any agent, consignee, clerk, bailee or servant, except persons under the age of 16 years, of any person.
- (b) Any person who shall:
- (1) Embezzle or fraudulently or knowingly and willfully misapply or convert to his own use, or
 - (2) Take, make away with or secrete, with intent to embezzle or fraudulently or knowingly and willfully misapply or convert to his own use, any money, goods or other chattels, bank note, check or order for the payment of money issued by or drawn on any bank or other corporation, or any treasury warrant, treasury note, bond or obligation for the payment of money issued by the United States or by any state, or any other valuable security whatsoever that (i) belongs to any other person or corporation, unincorporated association or organization or (ii) are closing funds as defined in G.S. 45A-3, which shall have come into his possession or under his care, shall be guilty of a felony.
- (c) If the value of the property described in subsection (b) of this section is one hundred thousand dollars (\$100,000) or more, the person is guilty of a Class C felony. If the value of the property is less than one hundred thousand dollars (\$100,000), the person is guilty of a Class H felony. (21 Hen. VII, c. 7; 1871-2, c. 145, s. 2; Code, s. 1014; 1889, c. 226; 1891, c. 188; 1897, c. 31; Rev., s. 3406; 1919, c. 97, s. 25; C.S., s. 4268; 1931, c. 158; 1939, c. 1; 1941, c. 31; 1967, c. 819; 1979, c. 760, s. 5; 1979, 2nd Sess., c. 1316, s. 47; 1981, c. 63, s. 1; c. 179, s. 14; 1997-443, s. 19.25(d); 2009-348, s. 1; 2009-570, s. 31.)

§ 14-92. Embezzlement of funds by public officers and trustees.

If an officer, agent, or employee of an entity listed below, or a person having or holding money or property in trust for one of the listed entities, shall embezzle or otherwise willfully and corruptly use or misapply the same for any purpose other than that for which such moneys or property is held, such person shall be guilty of a felony. If the value of the money or property is one hundred thousand dollars (\$100,000) or more, the person is guilty of a Class C felony. If the value of the money or property is less than one hundred thousand dollars (\$100,000), the person is guilty of a Class F felony. If any clerk of the superior court or any sheriff, treasurer, register of deeds or other public officer of any county, unit or agency of local government, or local board of education shall embezzle or wrongfully convert to his own use, or corruptly use, or shall misapply for any purpose other than that for which the same are held, or shall fail to pay over and deliver to the proper persons entitled to receive the same when lawfully required so to do, any moneys, funds, securities or other property which such officer shall have received by virtue or color of his office in trust for any person or corporation, such officer shall be guilty of a felony. If the value of the money, funds,

securities, or other property is one hundred thousand dollars (\$100,000) or more, the person is guilty of a Class C felony. If the value of the money, funds, securities, or other property is less than one hundred thousand dollars (\$100,000), the person is guilty of a Class F felony.

The provisions of this section shall apply to all persons who shall go out of office and fail or neglect to account to or deliver over to their successors in office or other persons lawfully entitled to receive the same all such moneys, funds and securities or property aforesaid. The following entities are protected by this section: a county, a city or other unit or agency of local government, a local board of education, and a penal, charitable, religious, or educational institution. (1876-7, c.47; Code, s. 1016; 1891, c. 241; Rev., s. 3408; C.S., s. 4270; 1979, c. 760, s. 5; 1979, 2nd Sess., c. 1316, s. 47; 1981, c. 63, s. 1; c. 179, s. 14; 1985, c. 509, s. 3; 1993, c. 539, s. 1177; 1994, Ex. Sess., c. 24, s. 14(c); 1997-443, s. 19.25(f).)

§ 14-100. Obtaining property by false pretenses.

(a) If any person shall knowingly and designedly by means of any kind of false pretense whatsoever, whether the false pretense is of a past or subsisting fact or of a future fulfillment or event, obtain or attempt to obtain from any person within this State any money, goods, property, services, chose in action, or other thing of value with intent to cheat or defraud any person of such money, goods, property, services, chose in action or other thing of value, such person shall be guilty of a felony: Provided, that if, on the trial of anyone indicted for such crime, it shall be proved that he obtained the property in such manner as to amount to larceny or embezzlement, the jury shall have submitted to them such other felony proved; and no person tried for such felony shall be liable to be afterwards prosecuted for larceny or embezzlement upon the same facts: Provided, further, that it shall be sufficient in any indictment for obtaining or attempting to obtain any such money, goods, property, services, chose in action, or other thing of value by false pretenses to allege that the party accused did the act with intent to defraud, without alleging an intent to defraud any particular person, and without alleging any ownership of the money, goods, property, services, chose in action or other thing of value; and upon the trial of any such indictment, it shall not be necessary to prove either an intent to defraud any particular person or that the person to whom the false pretense was made was the person defrauded, but it shall be sufficient to allege and prove that the party accused made the false pretense charged with an intent to defraud. If the value of the money, goods, property, services, chose in action, or other thing of value is one hundred thousand dollars (\$100,000) or more, a violation of this section is a Class C felony. If the value of the money, goods, property, services, chose in action, or other thing of value is less than one hundred thousand dollars (\$100,000), a violation of this section is a Class H felony.

(b) Evidence of nonfulfillment of a contract obligation standing alone shall not establish the essential element of intent to defraud.

(c) For purposes of this section, "person" means person, association, consortium, corporation, body politic, partnership, or other group, entity, or organization. (33 Hen. VIII, c. 1, ss. 1, 2; 30 Geo. II, c. 24, s. 1; 1811, c. 814, s. 2, P.R.; R.C., c. 34, s. 67; Code, s. 1025; Rev., s. 3432; C.S., s. 4277; 1975, c. 783; 1979, c. 760, s. 5; 1979, 2nd Sess., c. 1316, s. 47; 1981, c. 63, s. 1; c. 179, s. 14; 1997-443, s. 19.25(l).)

**Town of Spring Lake
Violations of Town Policies**

<u>Employee Title</u>	<u>No Purchase Orders</u>	<u>No Travel Forms</u>	<u>No Receipts</u>	<u>Total Violations</u>
Mayor	\$ -	\$ 8,867.43	\$ 481.28	\$ 9,348.71
Mayor Pro Tem	-	379.73	-	379.73
* Board of Alderman	-	2,789.71	-	2,789.71
Board of Alderman	-	211.12	-	211.12
* Town Manager	6,685.36	-	8,179.07	14,864.43
* Town Manager	-	1,979.59	30.00	2,009.59
Town Clerk	2,425.77	1,312.29	1,545.12	5,283.18
* Interim Finance Director	19,939.19	2,228.53	1,113.58	23,281.30
* Finance Director	1,313.43	4,694.64	1,353.06	7,361.13
Fire Chief	43,856.53	2,434.87	3,301.57	49,592.97
Police Chief	-	4,114.81	113.15	4,227.96
Human Resources Director	-	701.31	-	701.31
* Recreation Director	-	1,110.62	-	1,110.62
Public Works Director	-	84.75	75.79	160.54
Utilities Director	3,419.33	-	-	3,419.33
Water Resources Manager	-	531.20	-	531.20
Accounts Payable Clerk	7,088.79	-	10.29	7,099.08
Lead Meter Reader	-	-	22.07	22.07
* Payroll Clerk	-	7.48	52.50	59.98
* Revenue Supervisor	-	201.14	395.79	596.93
* Revenue Supervisor	-	37.49	173.91	211.40
* Revenue Supervisor	-	479.58	-	479.58
* Town Hall Administrative Assistant	-	-	12.33	12.33
Assistant Fire Chief	1,833.06	1,141.23	1,223.02	4,197.31
Battalion Chief of Training	-	546.39	34.49	580.88
Fire Captain A Shift	2,518.57	-	-	2,518.57
Fire Captain B Shift	-	834.00	-	834.00
Fire Department Administrative Assistant	27,481.11	329.05	3.73	27,813.89
* Fire Fighter	-	100.00	144.08	244.08
* Fire Fighter	-	-	19.02	19.02
* Fire Fighter	-	48.47	75.00	123.47
* Fire Fighter	-	471.36	-	471.36
* Fire Fighter	-	252.00	-	252.00
Fire Fighter	-	-	319.90	319.90

**Town of Spring Lake
Violations of Town Policies**

Employee Title	No Purchase Orders	No Travel Forms	No Receipts	Total Violations
Criminal Investigator	\$ -	\$ 793.82	\$ -	\$ 793.82
Evidence Sergeant	-	155.32	-	155.32
Patrol Sergeant	-	456.43	-	456.43
Patrol Officer	-	40.75	-	40.75
* Patrol Sergeant	-	84.07	-	84.07
* Police Administrative Assistant	7,033.53	-	705.73	7,739.26
Police Administrative Assistant	-	178.07	-	178.07
* Police Administrative Assistant	-	374.51	244.63	619.14
* Police Captain	-	1,016.71	-	1,016.71
Police Detective	-	62.60	-	62.60
Police Detective	-	77.27	-	77.27
Police Lieutenant	2,494.63	1,043.67	67.90	3,606.20
Police Lieutenant	-	234.95	-	234.95
* Police Officer	-	109.29	4.86	114.15
Police Officer	-	594.20	-	594.20
* Police Officer	-	44.90	-	44.90
Police Officer	-	59.09	-	59.09
* Police Officer	-	730.68	93.50	824.18
* Police Officer	-	28.31	-	28.31
Police Officer	-	42.23	15.53	57.76
* Police Officer	-	150.00	-	150.00
* Police Officer	-	120.55	-	120.55
* Police Officer	-	140.58	-	140.58
* Police Officer	-	124.31	-	124.31
Police Officer	-	13.22	-	13.22
Police Officer	-	42.84	30.95	73.79
* Police Officer	-	160.00	-	160.00
* Police Officer	-	60.00	-	60.00
Police Officer	-	20.21	25.47	45.68
* Police Officer	-	264.00	-	264.00
Police Sergeant	-	139.74	-	139.74
Police Sergeant	-	2,058.15	-	2,058.15
* Police Training Sergeant	9,803.90	340.92	90.18	10,235.00
Police Training Sergeant	-	3,487.76	48.83	3,536.59
Interim Recreation Director	5,371.85	-	4.80	5,376.65
Recreation Maintenance Coordinator	-	-	174.93	174.93
Recreation Program Coordinator	-	-	66.20	66.20

**Town of Spring Lake
Violations of Town Policies**

Employee Title	No Purchase Orders	No Travel Forms	No Receipts	Total Violations
Senior Center Director	\$ 1,360.94	\$ 449.98	\$ -	\$ 1,810.92
Senior Center Office Assistant	-	608.63	-	608.63
Building and Ground Maintenance	494.55	-	-	494.55
Code Enforcement Inspector	-	-	73.24	73.24
Fleet Maintenance Technician	7,207.57	-	-	7,207.57
Fleet Supervisor	65,402.68	-	7,918.00	73,320.68
* Head Mechanic	533.44	-	-	533.44
* Inspection Supervisor	-	1,461.78	-	1,461.78
* Inspection Supervisor	-	79.10	-	79.10
IT Technician	-	-	112.35	112.35
* Customer Service Representative	-	218.26	-	218.26
Public Works IT Technician	-	-	596.87	596.87
Street Maintenance Supervisor	2,718.03	-	-	2,718.03
* Water and Sewer Operator	-	184.00	-	184.00
* Water and Sewer Operator	-	288.00	-	288.00
Water Operations Crew Leader	667.70	-	8.63	676.33
Water Sewer Operations Supervisor	10,257.51	-	-	10,257.51
* Water Superintendent	12,022.67	1,238.30	321.00	13,581.97
Waste Water Treatment Plant ORC	3,083.15	-	-	3,083.15
Waste Water Treatment Plant Supervisor	4,003.67	-	1,943.87	5,947.54
* Yard Debris Supervisor	1,847.09	-	-	1,847.09
Totals	<u>\$ 250,864.05</u>	<u>\$ 53,665.99</u>	<u>\$ 31,226.22</u>	<u>\$ 335,756.26</u>

* Former Town Employee

**Town of Spring Lake
Procurement Card Charges for June 2013**

Missing Supporting Receipts and Other Documentation

Employee Title	Date	Vendor	Amount
Mayor	6/15/2013	Kangaroo Express	\$ 48.04
Town Clerk	5/30/2013	UNC-CH School of Govt.	\$ 36.38
Town Clerk	6/6/2013	Sleep Inn	\$ 81.35
Town Clerk	6/8/2013	Walmart	\$ 8.23
Town Clerk	6/10/2013	Subway	\$ 55.08
Town Clerk	6/10/2013	Walmart	\$ 56.40
Town Clerk	6/18/2013	As Seen on TV Junkies	\$ 339.91
Town Clerk	6/21/2013	Staples	\$ 194.67
Fire Chief	6/3/2013	Laurel Valley Premium Water	\$ 27.60
Fire Chief	6/6/2013	NCCOQB Qual Board	\$ 50.00
Fire Chief	6/12/2013	Chick-fil-A	\$ 9.10
Fire Chief	6/12/2013	McDonald's	\$ 15.97
Fire Chief	6/13/2013	Amerizon Wireless	\$ 62.50
Fire Chief	6/13/2013	NC Assoc. of Rescue & EMS	\$ 88.00
Fire Chief	6/13/2013	H & H Freightliner	\$ 144.90
Fire Chief	6/17/2013	All American Fire Protect	\$ 257.50
Fire Chief	6/18/2013	Northern Tool Equipment	\$ 64.19
Fire Chief	6/18/2013	American Uniform Sales	\$ 135.84
Fire Chief	6/18/2013	Lowe's	\$ 304.86
Fire Chief	6/19/2013	Dick's Sporting Goods	\$ 42.79
Fire Chief	6/19/2013	CARQUEST	\$ 57.26
Fire Chief	6/19/2013	Lowe's	\$ 57.77
Fire Chief	6/25/2013	Advance Auto Parts	\$ 14.97
Fire Chief	6/27/2013	Walmart	\$ 30.95
Fire Chief	6/27/2013	American Uniform Sales	\$ 276.05
* Interim Finance Director	6/11/2013	Amazon.com	\$ 79.00
* Interim Finance Director	6/12/2013	Staples	\$ 98.04
* Interim Finance Director	6/23/2013	Amazon.com	\$ 7.32

**Town of Spring Lake
Procurement Card Charges for June 2013**

Missing Supporting Receipts and Other Documentation

<u>Employee Title</u>	<u>Date</u>	<u>Vendor</u>	<u>Amount</u>
* Town Manager	6/3/2013	Subway	\$ 43.20
* Town Manager	6/7/2013	IHOP	\$ 45.93
Police Chief	6/13/2013	Bojangles	\$ 5.28
Water Resources Manager	6/20/2013	Toolup.com	\$ 1,625.02
* Finance Director	6/3/2013	Walmart	\$ 13.88
* Finance Director	6/3/2013	CDW Government	\$ 776.99
* Finance Director	6/12/2013	NC League of Municipalities	\$ 149.00
* Fire Fighter	6/4/2013	Beacon Auto Parts	\$ 100.00
* Fire Fighter	6/20/2013	Walmart	\$ 22.86
Fire Fighter	6/24/2013	Bound Tree Medical, LLC	\$ 107.10
* Fire Fighter	6/26/2013	Walmart	\$ 55.51
* Inspection Supervisor	6/10/2013	TLC Auto Wash & Fast	\$ 38.00
* Police Administrative Assistant	6/3/2013	Laurel Valley Premium Water	\$ 22.14
* Police Administrative Assistant	6/12/2013	Ft. Bragg North Commissary	\$ 3.14
* Police Administrative Assistant	6/14/2013	Target	\$ 7.47
* Police Administrative Assistant	6/17/2013	Carolina Paint and Body	\$ 2,989.00
* Police Administrative Assistant	6/19/2013	Quill Corporation	\$ 55.19
* Police Administrative Assistant	6/24/2013	Amazon.com	\$ 424.99
* Police Training Sergeant	5/31/2013	Staples	\$ 71.30
* Police Training Sergeant	6/3/2013	Walmart	\$ 51.17
* Police Training Sergeant	6/7/2013	Walmart	\$ 47.96
* Police Training Sergeant	6/18/2013	McDonald's	\$ 13.54
* Police Training Sergeant	6/19/2013	Guns Plus	\$ 14.45

**Town of Spring Lake
Procurement Card Charges for June 2013**

Missing Supporting Receipts and Other Documentation

Employee Title	Date	Vendor	Amount
* Police Training Sergeant	6/19/2013	Hart and Hart Car Care	\$ 20.00
* Police Training Sergeant	6/19/2013	American Uniform Sales	\$ 50.24
* Police Training Sergeant	6/20/2013	Hart and Hart Car Care	\$ 20.00
* Police Training Sergeant	6/20/2013	Galls Intern	\$ 139.10
* Police Training Sergeant	6/21/2013	O'Reilly Auto	\$ 9.17
* Police Training Sergeant	6/21/2013	AutoZone	\$ 68.47
* Police Training Sergeant	6/21/2013	American Uniform Sales	\$ 106.99
* Police Training Sergeant	6/25/2013	Kustom Mobile Installation	\$ 152.00
* Police Training Sergeant	6/25/2013	Kustom Mobile Installation	\$ 300.00
* Police Training Sergeant	6/25/2013	Kustom Mobile Installation	\$ 300.00
* Police Training Sergeant	6/25/2013	Image Graphics, Inc.	\$ 561.75
* Police Training Sergeant	6/27/2013	Diamond Auto Sport	\$ 60.00
* Police Training Sergeant	6/27/2013	Galls Intern	\$ 332.77
* Police Training Sergeant	6/27/2013	Kustom Mobile Installation	\$ 450.00
* Police Training Sergeant	6/27/2013	Galls Intern	\$ 469.73
* Revenue Collection Supervisor	6/5/2013	Online Information Service	\$ 294.60
* Revenue Collection Supervisor	6/10/2013	LexisNexis	\$ 100.00
* Revenue Division Supervisor	5/31/2013	Walmart	\$ 65.30
* Yard Debris Supervisor	6/12/2013	Walmart	\$ 8.03
Assistant Fire Chief	5/31/2013	American Uniform Sales	\$ 475.83
Assistant Fire Chief	6/5/2013	Chili's Grill	\$ 34.14
Assistant Fire Chief	6/5/2013	John - Beverly	\$ 42.80
Assistant Fire Chief	6/5/2013	John - Beverly	\$ 401.25
Assistant Fire Chief	6/6/2013	Staples	\$ 56.67
Assistant Fire Chief	6/6/2013	American Uniform Sales	\$ 128.40
Assistant Fire Chief	6/6/2013	Hope Mills Saw and Mower	\$ 213.99
Assistant Fire Chief	6/6/2013	Main Street Monogram	\$ 449.40
Assistant Fire Chief	6/25/2013	Apple iTunes Store	\$ 21.34
Assistant Fire Chief	6/27/2013	Doubletree Hotel Charlotte	\$ 456.40
Assistant Fire Chief	6/27/2013	Doubletree Hotel Charlotte	\$ 456.40

**Town of Spring Lake
Procurement Card Charges for June 2013**

Missing Supporting Receipts and Other Documentation

<u>Employee Title</u>	<u>Date</u>	<u>Vendor</u>	<u>Amount</u>
Building and Ground Maintenance	6/18/2013	Barefoot Hardware & Supply	\$ 14.07
Fire Captain A Shift	6/6/2013	INT Safety Concepts Inc.	\$ 164.80
Fire Captain A Shift	6/20/2013	Lowe's	\$ 79.12
Fire Captain B Shift	6/6/2013	Beacon Auto Parts	\$ 69.00
Fire Fighter	6/12/2013	Advance Auto Parts	\$ 10.68
Fire Fighter	6/18/2013	Walmart	\$ 38.13
Fleet Maintenance Technician	5/30/2013	Hercules Steel Co, Inc.	\$ 27.82
Fleet Maintenance Technician	6/3/2013	Crown Ford of Fayetteville	\$ 165.10
Fleet Maintenance Technician	6/4/2013	Cumberland Tractor Inc.	\$ 17.38
Fleet Maintenance Technician	6/4/2013	Talladega Machinery	\$ 114.02
Fleet Maintenance Technician	6/4/2013	BTS	\$ 173.13
Fleet Maintenance Technician	6/4/2013	Cumberland Tractor Inc.	\$ 328.96
Fleet Maintenance Technician	6/6/2013	Advance Auto Parts	\$ 10.31
Fleet Maintenance Technician	6/6/2013	Beacon Auto Parts	\$ 12.50
Fleet Maintenance Technician	6/10/2013	Barefoot Hardware & Supply	\$ 6.15
Fleet Maintenance Technician	6/11/2013	Advance Auto Parts	\$ 67.02
Fleet Maintenance Technician	6/12/2013	Crown Ford of Fayetteville	\$ 137.24
Fleet Maintenance Technician	6/13/2013	Advance Auto Parts	\$ 66.64
Fleet Maintenance Technician	6/13/2013	BTS	\$ 158.42
Fleet Maintenance Technician	6/17/2013	Advance Auto Parts	\$ 3.28
Fleet Maintenance Technician	6/17/2013	Advance Auto Parts	\$ 23.53
Fleet Maintenance Technician	6/17/2013	Crown Ford of Fayetteville	\$ 77.15
Fleet Maintenance Technician	6/17/2013	Vause Equipment Co.	\$ 647.02
Fleet Maintenance Technician	6/18/2013	Advance Auto Parts	\$ 22.32
Fleet Maintenance Technician	6/19/2013	Harbor Freight Tools	\$ 40.83
Fleet Maintenance Technician	6/19/2013	Cumberland Tractor Inc.	\$ 146.59
Fleet Maintenance Technician	6/19/2013	Advance Auto Parts	\$ 222.79
Fleet Maintenance Technician	6/19/2013	Vause Equipment Co.	\$ 351.57
Fleet Maintenance Technician	6/19/2013	Cumberland Tractor Inc.	\$ 353.64

**Town of Spring Lake
Procurement Card Charges for June 2013**

Missing Supporting Receipts and Other Documentation

Employee Title	Date	Vendor	Amount
Fleet Maintenance Technician	6/20/2013	Old Dominion Brush Co.	\$ 153.02
Fleet Maintenance Technician	6/20/2013	Advance Auto Parts	\$ 165.28
Fleet Maintenance Technician	6/25/2013	Applied Ind Tech	\$ 12.44
Fleet Maintenance Technician	6/26/2013	Advance Auto Parts	\$ 42.75
Fleet Maintenance Technician	6/26/2013	Talladega Machinery	\$ 50.82
Fleet Maintenance Technician	6/26/2013	Advance Auto Parts	\$ 161.00
Fleet Maintenance Technician	6/27/2013	Crown Ford of Fayetteville	\$ 137.24
Fleet Supervisor	5/29/2013	Advance Auto Parts	\$ 167.96
Fleet Supervisor	5/30/2013	Quality Equipment, LLC	\$ 1,793.91
Fleet Supervisor	6/4/2013	Advance Auto Parts	\$ 121.63
Fleet Supervisor	6/4/2013	BTS	\$ 889.61
Fleet Supervisor	6/4/2013	BTS	\$ 992.82
Fleet Supervisor	6/5/2013	Talladega Machinery	\$ 562.35
Fleet Supervisor	6/10/2013	Advance Auto Parts	\$ 10.57
Fleet Supervisor	6/10/2013	Fastenal Company	\$ 28.84
Fleet Supervisor	6/10/2013	Advance Auto Parts	\$ 152.95
Fleet Supervisor	6/11/2013	Crown Ford of Fayetteville	\$ 48.88
Fleet Supervisor	6/11/2013	Crown Ford of Fayetteville	\$ 505.66
Fleet Supervisor	6/12/2013	Northern Tool Equipment	\$ 5.34
Fleet Supervisor	6/13/2013	Machine & Welding Supply	\$ 27.04
Fleet Supervisor	6/13/2013	Machine & Welding Supply	\$ 40.27
Fleet Supervisor	6/13/2013	M and B Auto, Inc.	\$ 59.95
Fleet Supervisor	6/13/2013	Talladega Machinery	\$ 104.75
Fleet Supervisor	6/18/2013	Auto Parts & Tires Warehouse	\$ 25.59
Fleet Supervisor	6/18/2013	Quality Equipment, LLC	\$ 155.01
Inspections Clerk	6/12/2013	Domino's Pizza	\$ 47.01
Inspections Clerk	6/12/2013	Int'l Code Council, Inc.	\$ 125.00
Inspections Clerk	6/12/2013	Staples	\$ 246.69
Inspections Clerk	6/17/2013	Staples	\$ 114.30

**Town of Spring Lake
Procurement Card Charges for June 2013**

Missing Supporting Receipts and Other Documentation

Employee Title	Date	Vendor	Amount
Police Sergeant	6/20/2013	Image Graphics, Inc.	\$ 152.70
Police Sergeant	6/25/2013	Walmart	\$ 5.71
Public Works Office Assistant	6/3/2013	Walmart	\$ 48.50
Public Works Office Assistant	6/6/2013	NCDOL-ETTA	\$ 37.00
Public Works Office Assistant	6/14/2013	Red Wing Shoes	\$ 80.24
Public Works Office Assistant	6/20/2013	Walmart	\$ 96.57
Public Works Office Assistant	6/25/2013	Phoenix Janitorial Supply	\$ 60.11
Public Works Maintenance Supervisor	6/4/2013	Phoenix Janitorial Supply	\$ 28.60
Public Works Maintenance Supervisor	6/13/2013	Lowe's	\$ 144.28
Public Works Maintenance Supervisor	6/20/2013	Lowe's	\$ 203.63
Recreation Program Coordinator	6/3/2013	Hubbard Kitchen & Bath	\$ 24.33
Recreation Program Coordinator	6/14/2013	Barefoot Hardware & Supply	\$ 9.16
Recreation Program Coordinator	6/24/2013	Barefoot Hardware & Supply	\$ 6.69
Recreation Program Coordinator	6/4/2013	Crown Trophy	\$ 287.94
Recreation Program Coordinator	6/11/2013	Walmart	\$ 39.94
Recreation Program Coordinator	6/17/2013	NC Recreation	\$ 120.00
Recreation Program Coordinator	6/18/2013	Walmart	\$ 8.52
Senior Center Director	5/31/2013	Walmart	\$ 22.29
Senior Center Director	6/25/2013	CVS Pharmacy	\$ 69.95
Senior Center Office Assistant	5/31/2013	Walmart	\$ 40.00
Senior Center Office Assistant	5/31/2013	Walmart	\$ 58.40
Senior Center Office Assistant	6/11/2013	Walmart	\$ 25.17
Senior Center Office Assistant	6/12/2013	Ft. Bragg North Commissary	\$ 33.11
Senior Center Office Assistant	6/13/2013	Walmart	\$ 78.97
Senior Center Office Assistant	6/24/2013	Walmart	\$ 16.93
Senior Center Office Assistant	6/24/2013	Subway	\$ 77.76

**Town of Spring Lake
Procurement Card Charges for June 2013**

Missing Supporting Receipts and Other Documentation

Employee Title	Date	Vendor	Amount
Water and Sewer Operator	5/30/2013	Advance Auto Parts	\$ 22.19
Water and Sewer Operator	5/30/2013	USA Blue Book	\$ 117.75
Water and Sewer Operator	6/10/2013	Barefoot Hardware & Supply	\$ 8.39
Water and Sewer Operator	6/12/2013	Walmart	\$ 48.96
Water and Sewer Operator	6/12/2013	Barefoot Hardware & Supply	\$ 87.45
Water and Sewer Operator	6/12/2013	Barefoot Hardware & Supply	\$ 148.70
Water and Sewer Operator	6/13/2013	Barefoot Hardware & Supply	\$ 5.08
Water and Sewer Operator	6/13/2013	Barefoot Hardware & Supply	\$ 8.07
Water and Sewer Operator	6/13/2013	Barefoot Hardware & Supply	\$ 52.47
Water and Sewer Operator	6/17/2013	Barefoot Hardware & Supply	\$ 20.98
Water and Sewer Operator	6/17/2013	Fortiline	\$ 244.43
Water and Sewer Operator	6/17/2013	Fortiline	\$ 438.91
Water and Sewer Operator	6/19/2013	Walmart	\$ 16.02
Water and Sewer Operator	6/19/2013	Barefoot Hardware & Supply	\$ 30.37
Water and Sewer Operator	6/27/2013	Fortiline	\$ 358.08
Waste Water Treatment Plant ORC	6/4/2013	Southern Gin Grain	\$ 144.45
Waste Water Treatment Plant ORC	6/17/2013	Walmart	\$ 8.43
Waste Water Treatment Plant ORC	6/18/2013	Walmart	\$ 23.48
Waste Water Treatment Plant ORC	6/25/2013	Walmart	\$ 3.59
Waste Water Treatment Supervisor	6/13/2013	Electrotek	\$ 658.38
Total Missing June 2013 Procurement Card Purchases			<u>\$ 30,293.13</u>

* Former Town Employee



RESPONSE FROM TOWN OF SPRING LAKE

The Town of Spring Lake

BOARD OF ALDERMEN

Larry G. Dobbins, Mayor Pro Tem
James Christian, Alderman
Densie Lucas, Alderwoman
James P. O'Garra, Alderman
Fredricka Sutherland, Alderwoman



CHARTERED IN 1951

OFFICE OF THE MAYOR

Chris V. Rey, Mayor

ADMINISTRATION

Addison "Tad" Davis IV, Town Manager
Rhonda D. Webb, Town Clerk
Robert A. "Tony" Buzzard, Town Attorney

June 8, 2016

Ms. Beth A. Wood, CPA
State Auditor
Office of the State Auditor
2 S. Salisbury Street
20601 Mail Service Center
Raleigh, NC 27699-0601

Dear Ms. Wood:

Thank you for your letter dated May 23, 2016 and for the exceptional work of your staff regarding the investigation of allegations concerning the Town of Spring Lake, NC. Our Town accepts the findings and recommendations of the audit team. Attached at Enclosure 1, you will find our response to the audit team's three findings and recommendations, to include a summary of our plans and the corresponding suspense date assigned for completion of each corrective action.

I believe it is also important to note that the Town has already made significant progress to address 2 of the 3 findings, and developed a methodology to address the remaining finding. We have reviewed, revised, and reissued key Financial Management and Accounting policies as well as instituted stringent management controls to ensure Town policies are followed, as well as ensured the Board is kept informed through routine compliance updates (Finding #2). Additionally, the Town has taken action to bill the real estate management company for under-billed water services and ensured that all meter readers have received refresher training on how to properly read each of the various meters currently in use throughout the Town (Finding #3). Further, we are poised to review the entire list of questionable purchases, one transaction at a time, to determine those that warrant reimbursement to the Town and consideration of employee disciplinary action (Finding #1).

Thank you again for your attention to this matter. The Town of Spring Lake takes the audit findings seriously and will strive to improve those processes related to proper financial management and accounting of Town business in order to properly comply with accepted state and local government guidelines, as well as, endeavor to restore the faith and confidence our citizens have in the Town's ability to govern. "Unity for Prosperity"

Yours in service,

Chris V. Rey
Mayor

Encl

VOICE: (910) 436-0241

300 Ruth Street
Post Office Box 617
Spring Lake, NC 28390-0617
www.spring-lake.org

FAX: (910) 436-2667

Enclosure 1

Enclosure 1

June 8, 2016

Subject: Town of Spring Lake, NC Response to the State of North Carolina Investigative Report, May 2016

Finding #1. Town Employees and Board Members spent more than \$122,000 on questionable purchases.

Recommendations:

- **The Board of Aldermen should provide oversight of Town operations to ensure accountability for town resources. Completed.** The Board provides oversight of Town operations through the most recently hired Town Manager (July 2015) who brings to the job extensive leadership, community engagement, and financial management experience. He is assisted by the most recently hired Finance Director (September 2015) who was hired by the Town and performed Interim Finance Director duties from April 2015 until his selection as the Finance Director in September 2015. (FYI: The former Town Manager resigned in March 2015 and the former Interim Finance Director was dismissed by the Town in April 2015). The Town Manager provides detailed Weekly Updates to the Board on the state of Town operations and engages daily with the Mayor and Board members regarding issues and concerns they might have concerning Town operations. Further, a Manager's Update is provided to the Board at the bi-monthly Board of Aldermen meetings. In particular, a routine update on the Town Manager's completion of the monthly Purchasing Card review is provided to Board members in the Weekly Update. Additionally, a comprehensive update on implementation of the Town budget is formally presented to the Board on a quarterly basis. Future quarterly updates to the Board will include a summary of the Purchasing Card transactions for the preceding quarter.
- **The Town should consider disciplinary actions against management that did not properly enforce policies and management/staff/Board members that misused their procurement cards. Underway.** Upon receipt of additional information from the State Auditor's Office, regarding the details of individual financial transactions, the Town is poised to review the entire list of questionable purchases, one transaction at a time, to determine those not made in the best interest of the Town and that warrant consideration of management/staff/Board member disciplinary action. **Suspense:** Complete review of transactions and take disciplinary action within 120 days or less of receiving additional information from the State Auditor's Office.
- **The Town should seek reimbursement from Town employees for purchases unrelated to Town business. Underway.** Upon receipt of additional information from the State Auditor's Office, regarding the details of individual financial transactions, the Town is poised to review the entire list of questionable purchases, one transaction at a time, to determine those not made in the best interest of the Town and that warrant reimbursement by the Town employee or Board member in question. **Suspense:** Complete review of transactions and initiate action to seek reimbursement within 120 days or less of receiving additional information from the State Auditor's Office.
- **The Mayor, Town Manager, Finance Director, and department supervisors should monitor charges to Town procurement cards. Completed.** The Town's policy on the

1

use of Purchasing Cards (Annex A) was reviewed, revised and reissued by the Board in November 2015. It prescribes the respective management controls designed to ensure oversight and approval of Purchasing Card transactions at every level within the organization culminating in a detailed Purchasing Card review conducted monthly by the Town Manager, Finance Director, and Purchasing Card Program Administrator. The results of the monthly review are reported to the Mayor and Board the week of the review in the Town Manager's Weekly Update. Additional management controls to enhance overall accountability of Purchasing Card use was the Town Manager's formal designation of only 12 approved Purchasing Cardholders across the entire Town (see memo at Annex B for current list of authorized Purchasing Cardholders) and the placement of a \$100.00 limit on purchases without prior Town Manager approval. To ensure consistent management of the Purchasing Card Program a member of the Finance Department was formally designated as the Town's Purchasing Card Program Administrator (Annex C).

Finding #2. Town Employees and Board Members spent more than \$366,049 on purchases in violation of Town policies.

Recommendations:

- **The Town Manager and Finance Director should enforce policies and implement procedures to ensure employees and board members understand Town policies and procedures. The Town Manager and Finance Director should communicate changes to existing policies and procedures to employees and board members in a timely manner. Completed.** The Board has reviewed, revised, and reissued key Financial Management and Accounting policies, implemented by the Town Manager, as well as instituted stringent management controls to ensure Town policies are properly implemented. Additional management controls to enhance overall accountability of Purchasing Card use includes the Town Manager's formal designation of only 12 approved Purchasing Cardholders across the entire Town (see memo at Annex B) and the placement of a \$100.00 limit on purchases without prior Town Manager approval. To ensure consistent management of the Purchasing Card Program a member of the Finance Department was formally designated as the Town's Purchasing Card Program Administrator (Annex C). Further, the Board has reviewed, revised and reissued several additional key policies that will greatly enhance overall financial management practices and ensure accountability at every level within the organization, they include the following: Purchasing and Contracting, Elected Official Travel, and Employee Travel. These policies provide their own procedures and management controls that are currently implemented on a daily basis throughout the Town and have gone a long way toward institutionalizing greater accountability and a very cost conscience organization.
- **The Mayor, Town Manager, Finance Director, and department supervisors should monitor charges to employees' procurement cards for compliance with Town policies and procedures. Completed.** The Town's policy on the use of Purchasing Cards (Annex A) was reviewed, revised and reissued by the Board in November 2015. It prescribes the respective management controls designed to ensure oversight and approval of Purchasing Card transactions at every level within the organization culminating in a detailed Purchasing Card review conducted monthly by the Town Manager, Finance

Director, and Purchasing Card Program Administrator. During the course of this review, the individual transactions for each Purchasing Cardholder are screened to ensure they support Town requirements and are reconciled against the monthly bank statement for their respective account. The results of the monthly review are reported to the Mayor and Board the week of the review in the Town Manager's Weekly Update. Further, on a quarterly basis the Board will receive a summary of the Purchasing Card transactions for the preceding quarter. Additional management controls to enhance overall accountability of Purchasing Card use was the Town Manager's formal designation of only 12 approved Purchasing Cardholders across the entire Town (see memo at Annex B) and the placement of a \$100.00 limit on purchases without prior Town Manager approval. To ensure consistent management of the Purchasing Card Program a member of the Finance Department was formally designated as the Town's Purchasing Card Program Administrator (Annex C).

- **The Town Manager and the Finance Director should ensure the Town retains procurement card records according to the approved records retention and disposition schedule. Completed.** Purchasing Card records are retained for three (3) years in accordance with State of North Carolina Records Retention and Disposition Schedule, September 10, 2012. Further, the assigned duties of the Purchasing Card Program Administrator (Annex C) includes the specific responsibilities of maintaining all records for Purchasing Cards. Additionally, a Key Control Log has been established to restrict access to the storage area for Town financial records, to include Purchasing Card transaction files.

Finding #3. The Town failed to bill, record, and collect \$90,930 from a customer for utility services.

Recommendations:

- **The Town should retroactively bill the real estate management company for unbilled water services. Completed.** The Town has billed the real estate management company for under-billed water services.
- **The Town should consult with the North Carolina Treasurer's Local Government Commission to properly account for the unbilled revenue in its financial statements. Underway.** Coordination has been initiated with the Local Government Commission to ensure proper accountability of unbilled revenue in the Town's financial statements. **Suspense:** Within the next 30 days or less a detailed plan will be developed to ensure proper accountability of the unbilled water on our financial statements.
- **The Town's revenue collection department and finance office should review the monthly meter readings and billings for accuracy. Underway.** While a monthly water/sewer report is currently completed by the Town's Revenue Collection Department and the Finance Department, periodic reports are not currently provided to the Town Manager for further review, comment, and, if warranted, corrective action. **Suspense:** By July 1, 2016 or earlier a process will be instituted to ensure the conduct of a monthly review of the water/sewer report by the Town Manager, Finance Director, Revenue Collection Supervisor, and the Director of the Water Department.
- **The Town should train employees to ensure meters are read and recorded correctly and customers are billed based on water usage. Underway.** All Town meter readers

have received refresher training on how to properly read each of the various meters currently in use throughout the Town. In order to ensure that customers are billed based on actual water usage, between June 1, 2016 and August 30, 2016 the Town will convert from reading meters to the nearest 1000th gallon to a system of reading meters to the nearest gallon which we believe in turn will provide customers with a more accurate understanding of their actual water consumption. Additionally, one of the Town's three meter readers has completed the NC AWWA-WEA Meter Technician Certification Course. The other two meter readers will attend the NC AWWA-WEA Meter Technician Course in September 2016. The Town's Revenue Collection Specialist completed the Utilities Billing and Collection Administration Workshop at the UNC School of Government.

Suspense: While refresher training has been completed for meter readers, the certification course for the remaining two meter readers should be completed by September 20, 2016. The conversion to reading individual meters by the gallon will be completed by August 30, 2016.

Annex A

Town of Spring Lake	ADMINISTRATIVE & FINANCIAL POLICIES		SUBJECT: PURCHASING CARDS
	Number 9	Revisions 1	Board Approval Date November 9, 2015
North Carolina	Supersedes January 1, 2010	Effective Date November 10, 2015	Page 1 of 20

9.0 FORWARD

This policy is intended to provide guidance and establish a methodology for use and to define the limits of use of the Town of Spring Lake's issued purchasing cards provided to certain personnel in order to make purchases of goods and/or services.

9.1 PURPOSE

A purchasing card is designed to provide the user a more flexible and efficient way to handle small purchases by reducing costs and paperwork associated with them. It also empowers the cardholder to acquire the necessary materials to conduct business and /or deliver services in a more convenient and expeditious manner.

9.2 APPLICABILITY

This policy is applicable to all personnel, who use a Town issued purchasing card.

9.3 REFERENCES

Town of Spring Lake Purchasing and Contract Policy

9.4 ATTACHMENTS

- 9.4.1 Sample "Request for Purchasing Card"
- 9.4.2 Sample "Cardholders Agreement"
- 9.4.3 Sample "Card Destruction Notice"
- 9.4.4 Sample "Purchasing Card Log"
- 9.4.5 Sample "Cardholder Dispute Form"

- 9.4.6 Sample “Lost or Stolen Card Notification”
- 9.4.7 Sample “Return Merchandise Form”
- 9.4.8 Sample “Purchasing Card Maintenance Request”
- 9.4.9 Sample “Purchasing Card Check Out Request”

9.5 ABBREVIATIONS

- 9.5.1 TPCP Town Purchasing Card Program

9.6 DEFINITIONS

- 9.6.1 Vendor Company or individual from which the Town is purchasing materials and/or equipment or services under the provisions of this policy.
- 9.6.2 Cardholder Town personnel who have been issued purchasing cards and who are authorized to make purchases in accordance with these procedures.
- 9.6.3 Approving Supervisor The cardholder’s supervisor or higher level manager, who shall review and approve a cardholder’s monthly statement of account.
- 9.6.4 Coordinator The departmental employee responsible for collecting the approved monthly statements and forwarding them to Finance for payment.
- 9.6.5 Statement of Account This is the monthly listing of all transactions by the cardholder, issued by the bank directly to the cardholder.
- 9.6.6 Single Purchase Limit A dollar amount limitation of purchasing authority delegated to a cardholder. This dollar limit may vary from cardholder to cardholder.
- 9.6.7 Monthly Cardholder Limit This is a budgetary dollar limit established for each card holder.

- 9.6.8 Transaction The act of making a purchase with the purchasing card.
- 9.6.9 Requisitioner A Town employee who has a need for materials or services that can only be fulfilled by a vendor. Under this Policy, a requisitioner may be a cardholder.
- 9.6.10 Program Administrator Finance Department employee with the responsibility of administering the purchasing card program.

9.7 RESPONSIBILITIES

- 9.7.1 The Finance Director shall be responsible for the implementation and enforcement of this policy including annual refresher training for all personnel using a purchasing card.
- 9.7.2 All personnel using purchasing cards under this policy shall be responsible for the purchasing card and its use in accordance with this policy, including attending annual refresher training.

9.8 RECEIVING A PURCHASING CARD

- 9.8.1 Department Heads may propose personnel to be cardholders by contacting the Program Administrator to obtain and submit a completed "Request for Purchasing Card" form.
- 9.8.2 The proposed Cardholder shall be issued a copy of this policy and shall be required to sign a "Cardholders Agreement" attesting that the employee has received training on the purchasing card policies and procedures, understands the policies and procedures and accepts his/her responsibilities as a TPCP Cardholder.
- 9.8.3 The Program Administrator shall maintain all records for Purchasing Card requests, limits, cardholder transfers and lost/stolen/destroyed card information.
- 9.8.4 The Town Manager shall have final approval of Purchasing Cardholders.

9.9 AUTHORIZED PURCHASING CARD USE

- 9.9.1 The unique Purchasing Card that the Cardholder receives shall have his/her name embossed on it. The cardholder is responsible for all purchases made with this card, whether personally or on behalf of or by another employee.

- 9.9.2 Use of the Purchasing Card shall be limited to the following conditions:
 - a. The total value of a transaction shall not exceed a Cardholder's single purchase limit. Payment for a purchase SHALL NOT be split into multiple transactions to stay within the single purchase limit.
 - b. All spending limits SHALL BE adhered to.
- 9.9.3 The Cardholder shall inform the Vendor that the goods are for the Town of Spring Lake use and are to include sales tax on the purchases.
- 9.9.4 The items or services that may be procured by using the purchasing card are limited by Section 9.10.

9.10 UNAUTHORIZED PURCHASING CARD USE

- 9.10.1 The Purchasing Card SHALL NOT BE USED for the following:
 - a. Personal purchases or identification.
 - b. A single purchase that exceeds the Town's purchasing limits or the Cardholder's single purchase limit.
 - c. Cash advances.
 - d. Non-emergency telephone calls or monthly telephone service.
 - e. Purchases from vendors that have Merchant Blocking.
 - f. Use of the Purchasing Card shall not be used to circumvent the spirit of the Town's Purchasing and Contract Policy.
 - g. Alcohol
- 9.10.2 A Cardholder who makes unauthorized purchases or carelessly uses the purchasing card will be liable to the Town for the total dollar amount of such unauthorized purchases plus any administrative fees charged by the Bank in connection with the misuse. The Cardholder will also be subject to Town of Spring Lake Personnel Policy disciplinary action.
- 9.10.3 A Cardholder who has an unauthorized purchase or who carelessly uses the purchasing card will receive a written warning, refresher training and 60 day suspension of purchasing privileges on the first offense. The second offense will be followed by a written warning and card privileges will be revoked

permanently. Additionally, the Cardholder will also potentially be subject to further disciplinary action.

9.10.4 The Cardholder will be responsible for the total dollar amount of any unauthorized purchases. The Town will use all means available to recover the cost of the unauthorized purchase to include payroll deduction from the cardholder's next Town of Spring Lake paycheck.

9.11 CARDHOLDER RECORD KEEPING

9.11.1 When a Purchasing Card purchase is made, either over the counter, by telephone, or on the internet, documentation shall be retained as proof of the purchase. Such documentation shall be used to verify the purchases listed on the Cardholder's monthly statement of account. The Cardholder shall document the transaction on the Purchasing Card Log.

9.11.2 When the purchase is made over the counter, the Cardholder shall retain the invoice and "customer copy" of the charge receipt. The Cardholder is responsible to check that the vendor lists the quantity, fully describes the items(s), includes sales tax and does not make arithmetic errors, prior to the Cardholder signing the slip. The transaction's details shall also be added to the cardholders' Purchasing Card Log, Attachment 9.4.4.

9.11.3 When making a purchase by telephone, the cardholder shall also document the transaction on the Purchasing Card Log.

9.11.4 When the goods are received after placing the telephone order, retain all shipping documentation and attach to the Purchasing Card Log.

9.11.5 The Cardholder shall complete all the information on the Purchasing Card Log.

9.11.6 All purchases that are not supported by a detailed listing of the items purchased by the vendor will be deemed unauthorized purchases and subject to the provisions in section 9.10 of this policy.

9.12 REVIEW AND APPROVAL OF MONTHLY STATEMENT

9.12.1 Upon receipt of the monthly statements from the bank, the Program Administrator shall distribute them to the appropriate Department Head. The Administrator shall also prepare and submit via e-mail the monthly purchasing card review (Excel Spreadsheet) to the Town Manager.

a. Upon receipt, the Department Head shall have the Cardholders under their supervision review their statement and compare it to their monthly Purchasing Card Log.

- b. The Cardholder shall attach, in order of the Purchasing Card Log, all documentation such as receipts, shipping tickets, etc., to their statement and monthly Purchasing Card Log. NOTE: As the Town of Spring Lake is able to recoup taxes paid; the Purchasing Card Log must have taxes noted as applicable. Taxes for reimbursed meals or hotel bills including any occupancy taxes should not be noted on the Purchasing Card Log. All shipping and handling charges are to be combined with the actual cost of the product purchased. Documentation for purchases not shown on the Cardholder's statement shall be retained by the employee until the next months statement is received.
- c. The Cardholder is to forward his/her reviewed monthly statement, monthly Purchasing Card Log and attached documentation to their Department Head.
- d. The Department Head shall completely review and sign the Purchasing Card Logs and forward to the Program Administrator/Finance Director prior to Town Manager approval.
- e. Within 10 working days of the original distribution of statements to Department Heads, all checked statements and signed Purchasing Card Logs must be submitted to the Finance Department. Purchasing Card Logs not signed will be returned to the Department Head.

9.12.2 If the Cardholder does not comply with account reconciliation and authorization procedures as outlined in this policy, privileges may be revoked by the Director of Finance.

9.12.3 If the Cardholder does not have documentation of a transaction listed on the monthly statement, he/she shall attach an explanation that includes a description of the item(s) purchased, date of purchase, Vendor's name and reason for the lack of supporting documentation.

9.12.4 Product Returns

If an item is not satisfactory, shipped incorrectly, damaged and/or defective, a duplicate shipment, etc., the Cardholder shall contact the Vendor as soon as practical to discuss and resolve the situation. If the Vendor has not replaced or otherwise corrected the situation by the date the cardholder receives his/her monthly statement, the purchase of that item will be considered in dispute and should be noted as such on the Purchasing Card Log and attach a "Cardholder Dispute Form". At any time, the Cardholder may, and should if encountering resistance from the Vendor, contact the Program Administrator for assistance with resolution of the situation.

If an item has been returned, the Cardholder shall complete a "Return Merchandise Form" and verify that the applicable credit is reflected on a monthly statement.

9.12.5 If the Cardholder disputes a charge on the statement, especially if fraud is suspected, he/she shall IMMEDIATELY contact the Program Administrator.

9.12.6 If purchased items or credits are not listed on the monthly statement, the appropriate transaction documentation shall be retained by the Cardholder until the next monthly statement. If the purchase or credit does not appear on the statement within 60 days after the date of purchase, the Cardholder shall notify the Program Administrator.

9.12.7 All purchases and monthly statements are subject to random audits by the Finance Department.

9.13 MONTHLY ACCOUNT SUMMARIES

9.13.1 Monthly Account Summaries, listing all transactions, shall be issued by the Bank through the Finance Department to the appropriate Department Coordinators and Approving Supervisors. These listings will allow the Approving Supervisors to track their cardholder's activities and act as a checklist for the Coordinators to anticipate which approved monthly statements are due from which cardholders.

9.13.2 The Coordinator shall check the approved monthly statements against the summary, for Approving Supervisor's approval signature and for timeliness of review and approval.

More than two (2) reminders to a Cardholder by Program Administrator that an approved monthly statement is delinquent will be grounds for withdrawing the purchasing card from that user.

9.14 REPORTS

9.14.1 The following reports are issued by the Bank on a monthly basis:

- a. Statement of Account – listing of all transactions by the Cardholder for the preceding month (30 days), sent directly to the Cardholder through the Finance Department.
- b. Monthly Account Summary – This is the Bank's listing issued to Approving Supervisors and Coordinators covering Cardholder's transactions.

9.15 ACCOUNTING TRANSACTION RECORDING

9.15.1 On a monthly basis, the Bank will provide a file, listing all activity for the period, to Accounts Payable. This file will contain the data necessary to post the purchasing card transaction into the Accounts Payable system.

9.15.2 For this purpose, when each purchasing card is issued, the appropriate Fund – Department number will be assigned to the card. All transactions for that card will have this number listed as part of the data file.

9.16 CARD SECURITY

9.16.1 It is the Cardholder’s responsibility to safeguard the purchasing card and account number to the same degree that a Cardholder safeguards his/her personal credit information.

The Cardholder must not allow anyone to use his/her account number. A violation of this trust will result in that Cardholder having his/her card withdrawn and disciplinary action taken.

9.16.2 If the card is lost or stolen the Cardholder shall immediately notify the Bank at the following number:

1-888-449-2273

Representatives are available 24 hours a day. Advise the representative that the call is regarding a lost VISA Purchasing Card.

The program administrator is also to be notified immediately.

The Cardholder shall also notify his/her Approving Supervisor of the lost or stolen card within one (1) working day after discovering the card missing. The Cardholder shall prepare and submit to his/her Approving Supervisor a written report of the loss within five (5) working days. This report shall include the following information:

- a) The card number;
- b) The Cardholder’s full name;
- c) The date and location of the loss of the card;
- d) If stolen, date reported to police;
- e) Date and time the Bank was notified;
- f) Any authorized purchases(s) made on the day the card was lost;

g) Any other relevant information

A copy of this report shall be forwarded to the Purchasing Manager, who shall also notify the Program Administrator. The Program Administrator shall send the "Lost or Stolen Card Notification" form to the Bank (Attachment 9.4.6).

9.16.3 A new card shall be promptly issued to the Cardholder after the reported loss or theft. A card that is subsequently found by the Cardholder after being reported lost shall be given to the Approving Supervisor. The Approving Supervisor shall complete the "Card Destruction Notice" form and forward the card and form to the Program Administrator immediately, who will notify the Bank. An employee may have two cards replaced, after that they will no longer be able to have a card issued to them.

9.17 CARDHOLDER TRANSFER/SEPARATION

9.17.1 Prior to a transfer to another Town department or separation from the Town, the Cardholder shall surrender the purchasing card and current Purchasing Card Log to his/her Approving Supervisor. Upon its receipt, the Approving Supervisor will review, approve and forward to Finance, the month end purchasing card statement. The Approving Supervisor shall complete the "Card Destruction Notice" and forward the card and form to the Program Administrator immediately, who will notify the bank.

9.17.2 In the case of separation of employment of the card holder, the Department Head shall be responsible for notifying Human Resources / Payroll the card is cleared and all charges have proper documentation. Any unauthorized transactions shall be subject to the terms of section 9.10 of this policy.

9.17.2 In the case of a transfer, when the Cardholder reports to his/her new department, he/she may request a new card in accordance with Section 9.8 of this policy.

Attachment 9.4.1

REQUEST FOR PURCHASING CARD

A Town Purchasing Card is requested for the following employee:

Name: _____ Date: _____
(Please enter name as you would like it to appear on the card and billing statement. Maximum of 24 letters.)

Work Telephone Number: _____

Department Name: _____

Title and Brief Job Description:

Types of Purchases to be Made:

Proposed Single Purchase Limit: \$ _____ (shall not exceed)

Proposed Single Day Purchase Limit: \$ _____ (shall not exceed)

Proposed Monthly Purchase Limit: \$ _____ (shall not exceed)

Proxy Designation: _____
Name

Approving Supervisor: _____ Date: _____
(Individual that will be approving cardholder's purchases and countersigning cardholder's monthly statement. Must be individual responsible for budget that cardholder would charge against.)

Department Head: _____ Date: _____

Finance Officer: _____ Date: _____

Town Manager: _____ Date: _____

Attachment 9.4.2 **CARDHOLDER AGREEMENT**

In connection with my employment, I am being entrusted with a Town of Spring Lake purchasing card. Upon my acceptance of possession of any such purchasing card, I agree to the following terms or conditions:

1. I agree to use the Town of Spring Lake purchasing card issued to me, or any other Town of Spring Lake purchasing card which comes into my possession, only for legitimate, official purposes for and on behalf of the Town of Spring Lake. **UNDER NO CIRCUMSTANCES WILL I USE A TOWN OF SPRING LAKE PURCHASING CARD FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES.** I further understand that the use of a Town of Spring Lake purchasing card to procure goods or services for other than legitimate, official purposes is fraudulent use. A "legitimate, official" use of a purchasing card is defined as using said purchasing card to procure goods or services for authorized and necessary and ordinary purposes in connection with the operations and activities of the Town of Spring Lake. **AN EMPLOYEE GUILTY OF FRAUDULENT USE MAY BE DISMISSED AND ALSO MAY BE SUBJECT TO CRIMINAL PROSECUTION.**
2. I understand that the use of the purchasing card will be closely monitored and audited and any discrepancies will be immediately handled with the appropriate action.
3. I understand that the Town of Spring Lake will pay for all authorized and legitimate charges made on this purchasing card on behalf of the Town of Spring Lake as determined by the Town's Finance Department.
4. I will follow the established policy for the use of the purchasing card and procedures for which I have received training on. I will not allow a third party to use the purchasing card, and any purchases made with my card will be considered made by me and for which I will be accountable.
5. I will be responsible for the safe keeping of the Town of Spring Lake purchasing card issued to me. If the purchasing card becomes lost or stolen, I will immediately report the same to Bank of America Card Services, the Purchasing Card Program Administrator and my supervisor.
6. I understand and agree that should I leave the employment of the Town of Spring Lake, it is my responsibility to return any purchasing cards in my possession to the Town of Spring Lake prior to my last day of employment. I further agree to return any purchasing cards in my possession to the Town of Spring Lake upon request.
7. I understand and agree that I will safeguard any reports, manuals, documentation, and other materials related to the Purchasing Card Program, and, to the extent allowed by law, will not release the same to the general public. I further agree that, (1) should I leave employment of the Town of Spring Lake, or, (2) the Purchasing Card Program Agreement between the Town of Spring Lake and Bank of America Card Services is terminated, I will

return to the Purchasing Card Program Administrator all material in my possession related to the Purchasing Card Program.

- 8. I understand that my personal credit should not be affected by the use of the Town of Spring Lake purchasing card for legitimate, official purposes.
- 9. I have been provided a copy of, and have thoroughly reviewed, the policies and procedures of the Town as they relate to the Purchasing Card Program.

I have read, understand and agree to the conditions above:

Signature: _____ Date: _____

Card Receipt:

Cardholder name (print): _____ Card number: _____-_____-_____-_____

Cardholder signature: _____ Date: _____

Attachment 9.4.3 **PURCHASING CARD DESTRUCTION NOTICE**

Date: _____

To: Finance Director, Town of Spring Lake

From: _____, _____
Name Title

Department

Name on Card _____

Card Number _____ - _____ - _____

Expiration Date _____

The Town of Spring Lake Purchasing Card indicated above was destroyed in the presence of the following individuals:

(Signature) (Printed Name) (Date)

(Signature) (Printed Name) (Date)

(Signature) (Printed Name) (Date)

(Send this form with the cut up card to the Finance Department)

Town of Spring Lake P-card Monthly Transaction Log

Cardholder: _____ Monthly Card Limit: \$ _____
 Department: _____ Default Account No: _____
 Statement Date: _____

Item No.	Date	Vendor	Subtotal Amount	Sales Tax	Charge Total	Account No.	PO No. MDA	Purpose
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
Totals								

Signatures
 Cardholder: _____ Date: _____
 Department Head: _____ Date: _____
 Town Manager: _____ Date: _____
 Finance Director: _____ Date: _____

Transactions recorded hereon are preaudited in the manner required by the Local Government Budget and Fiscal Control Act up to the card limit stated above.

Attachment 9.4.5

CARDHOLDER DISPUTE FORM

Cardholder Information:

Name: _____ Card Number: _____ - _____ - _____

Date: _____ Signature: _____

Merchant Name: _____

Transaction Date: _____ Transaction #: _____

Dollar Amount Disputed: _____

Dispute:

The item referenced above is being disputed because:

_____ There is a difference in the amount I authorized and the amount I was billed.
(A copy of your charge must be attached.)

_____ I only transacted one charge and I was previously billed for it.
(Date of previous charge _____)

_____ The above transaction is mine but I am disputing the transaction.
(Please state your reasons why in detail.)

_____ I do not recognize the above transaction.

_____ I have received a credit voucher for the above transaction, but it has not yet appeared on my account. (A copy of the credit voucher must be attached.)

_____ My account has been charged for the above transaction, but the merchandise has since been returned. (Please attach a copy of the Returned Merchandise Form and postal receipt.)

_____ My account has been charged for the above transaction, but I have not received the merchandise. The details of my attempt to resolve the dispute with the merchant and the merchant's response are indicated below.

(Attach the completed form to your monthly statement for review and approval of your supervisor.)

Attachment 9.4.6

LOST/STOLEN CARD NOTIFICATION

Company Name: Town of Spring Lake

Cardholder Name: _____

Card Number: _____ - _____ - _____ - _____

Card was: Lost

 Stolen

 Other (Describe) _____

Date and Time Called Into Bank: _____

Cardholder's Signature: _____

Date: _____

Approved By: _____

Date: _____

Finance Director

(Card holder to send this form to finance who will send it to the bank within two business days of card loss.)

Attachment 9.4.7

MERCHANDISE RETURN FORM

Ship to:	From: Town of Spring Lake

Phone: _____ Ext. _____ Date: _____

Purchasing Card Number _____ - _____ - _____ - _____
--

Qty.	U/M	Item #	Description

Reason for Return (Check One):

- Wrong item received
- Damaged
- Duplicate order
- Defective
- Did not like product
- Other

Ship VIA:

- Parcel Service – Return Receipt
- UPS (tracking number _____)
- Federal Express (tracking number _____)
- Vendor

Signature: _____

Date: _____

Attachment 9.4.9 **PURCHASING CARD CHECK OUT REQUEST**

Company Name: Town of Spring Lake

Cardholder Name: _____ Date: _____

Card Number: _____-_____-_____-_____

Explanation for Card Request: _____

Expected Return Date: _____

Printed Name: _____

Cardholder

Cardholder Signature: _____ Date: _____

Authorized Signature: _____ Date: _____

Department Head

Authorized Signature: _____ Date: _____

Town Manager

Actual Return Date: _____

Signature on Date of Return: _____

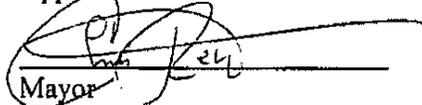
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Approved:



Mayor
 Town of Spring Lake
 Board of Aldermen

11-10-2015
 Date

Attest: Rhonda G. Webb
 Town Clerk

Annex B

The Town of Spring Lake

BOARD OF ALDERMEN

James P. O'Garra, Mayor Pro Tem
James Christian, Alderman
Richard P. Higgins, Alderman
Denise Lucas, Alderwoman
Fredricka Sutherland, Alderwoman



CHARTERED IN 1951

OFFICE OF THE MAYOR

Chris V. Rey, Mayor

ADMINISTRATION

Addison D. "Tad" Davis IV, Town Manager
Rhonda D. Webb, Town Clerk
Robert A. "Tony" Buzzard, Town Attorney

August 31, 2015

Memorandum for Department Heads, Town of Spring Lake

Subject: Approved Purchasing Cardholders, Town of Spring Lake

1. Purpose. To provide a list of approved Purchasing Cardholders to support daily Departmental purchases in support of authorized mission requirements.
2. Reference. Purchasing Card Policy, Town of Spring Lake (current working draft).
3. Responsibilities.
 - a. Department Heads. Will ensure that individuals within their Department identified on Attachment A are properly trained, have received and understand the Town Purchasing Card Policy, and have signed the Cardholder Agreement.
 - b. Individual Purchasing Cardholders. The individuals identified on Attachment A are authorized to maintain a Town issued Purchasing Card for the purpose of supporting daily Departmental requirements that meet the criteria for use of a Purchasing Card.

Tad Davis

Addison D. "Tad" Davis, IV
Town Manager

VOICE: (910) 436-0241

300 Ruth Street
Post Office Box 617
Spring Lake, NC 28390-0617
www.spring-lake.org

FAX: (910) 436-2667

PURCHASING CARDS - DESIGNATED CARDHOLDERS (Attachment A)

<u>Name</u>	<u>Position</u>	<u>Department</u>
Rhonda Webb	Town Clerk	Administration
T.J. McLamb	Fire Chief	Fire
Jason Williams	Assistant Fire Chief	Fire
Rosa Henegan	Director	Human Resources
J.C. Combs	Interim Director	Parks & Recreation
Troy McDuffie	Chief of Police	Police
Billy Tharpe	Captain	Police
Paul Hoover	Director	Public Works
John Kleinert	Director	Buildings and Grounds
Doris Snider	Director	Senior Enrichment
Byron Blumenfeld	Director	Water Operations
Dean Byrd	Supervisor	Water Operations

AS OF 08/31/15

Annex C

The Town of Spring Lake

BOARD OF ALDERMEN

James P. O'Garra, Mayor Pro Tem
James Christian, Alderman
Richard P. Higgins, Alderman
Densie Lucas, Alderwoman
Fredricka Sutherland, Alderwoman



CHARTERED IN 1951

OFFICE OF THE MAYOR

Chris V. Rey, Mayor

ADMINISTRATION

Addison D. "Tad" Davis IV, Town Manager
Rhonda D. Webb, Town Clerk
Robert A. "Tony" Buzzard, Town Attorney

Memorandum for Mrs. Gay Tucker

August 31, 2015

Subject: Designation of Purchasing Card Program Administrator for Town of Spring Lake

1. Purpose. To designate Mrs. Gay Tucker as the Purchasing Card Program Administrator for the Town of Spring Lake effective September 1, 2015. Designation will be reviewed annually and remain in effect until rescinded.
2. Reference. Purchasing Card Policy, Town of Spring Lake (current working draft).
3. Duties.
 - a. Provide day-to-day oversight of the Purchasing Card Program. Monitor changes promulgated by the Card Provider to ensure the Town Purchasing Card Policy remains in compliance with current Bank policies.
 - b. Maintain accountability of Town Purchasing Cards. Ensure individuals approved by the Town Manager to retain a Purchasing Card for daily Departmental use are properly trained, have received and understand the current Town Purchasing Card Policy, and have signed the Cardholder Agreement. Additionally, ensure security and safekeeping of Purchasing Cards retained on hand for occasional use by Town personnel when specifically approved by the Town Manager.
 - c. Maintain all records for Purchasing Card requests, limits, cardholder transfers and lost/stolen/destroyed card information.
 - d. Upon receipt of the monthly Purchasing Card Statements from the Bank, distribute them to the appropriate Department Head to enable completion of Department and Cardholder end of month requirements.
 - e. Work with Department Heads to reconcile Purchasing Card transactions for each month with purchase receipts on the individual Cardholder Purchasing Card Log.
 - f. Upon completion of the monthly Purchasing Card review/reconciliation, submit the monthly Purchasing Card review (via excel spreadsheet) to the Town Manager for final review/approval.

Tad Davis

Addison D. "Tad" Davis IV
Town Manager

VOICE: (910) 436-0241

300 Ruth Street
Post Office Box 617
Spring Lake, NC 28390-0617
www.spring-lake.org

FAX: (910) 436-2667

ORDERING INFORMATION

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For additional information contact:
Bill Holmes
Director of External Affairs
919-807-7513

