

**City of Willoughby Hills
Lake County/Northeast Region
Case No: 2018-CA10366**

Assignment / Date: SFAM, M. Burke, FAM, G. Mavros, and Investigator, J. Mendolera 05/31/19

Summary of Preliminary Examination Results and Recommendation

Background

The Ohio Auditor of State (AOS) received a complaint on September 25, 2018 from the Willoughby Hills City Council President regarding "several areas where members of the Willoughby Hills City Council have concerns." More specifically the City Council President reported the following issues be reviewed by AOS:

1. Legality of Willoughby Hills Isolated Seniors Program for Everyday Relief (WHISPER) and Cornfest expenditures issued to City employee, Gloria Majeski.
2. Improper use of the Maple Grove Grange building.
3. Overpayment of wages paid to the Finance Director.

The information was considered by the Special Audit Task Force and at its meeting on October 4, 2018, designated a preliminary investigation.

Work Performed and Results

1. WHISPER and Cornfest Programs

We obtained and reviewed the City ledger reports for the WHISPER program for the period January 1, 2009 to September 30, 2018, and the Cornfest program for the period of January 1, 2008 to December 31, 2011¹. We reviewed all expenditures issued to vendors as identified by the complainant which included reimbursement payments to City Mayor's Executive Assistant, Gloria Majeski. We also reviewed the expenditure report for any additional payments of potential concern. None were identified.

We identified 25 payments totaling \$2,573 issued from the WHISPER program and 3 payments totaling \$4,354 issued from the Cornfest program paid to Ms. Majeski during the period. The City was unable to locate the support for 1 payment in the amount of \$150.00 issued from the WHISPER program in 2012, and was unable to locate the support for \$138.49 out of \$1,774.67 for 1 payment issued from the Cornfest program in 2009; however, all expenditures were approved by the Mayor and the unsupported items appeared to be for program expenses. As a result, all expenditures reviewed were deemed to be for a proper public purpose.

2. Maple Grove Grange Building

We obtained and reviewed all documentation related to the Maple Grove Grange building. The City did not maintain a formal policy for the use of the Maple Grove Grange Building. Our review denoted groups requested use of the building as approved by the Mayor. The City maintained a calendar of use of the building, and a list of keys to the building was maintained and reported on the City website. We reviewed the City expenses for the Maple Grove Grange building during the period and noted that expenses were primarily comprised of utilities and building improvements. Additionally we noted the City paid the delivery fee for a pool table that was donated to the building and an antenna for a television that was donated to the City by the police department. We did not identify any improper usage of the building.

¹ The Cornfest program was established in 2008 by the City. No expenditures were issued by the City after 2009. In 2011 a 501(c)(3) group was created and took over operations for the Cornfest program.

3. Finance Director Payroll

We obtained and reviewed the Finance Director position and pay rate Ordinances, timesheets, and City ledger reports for the period January 1, 2011 through September 30, 2018 and recalculated the payroll wages. We did not identify an overpayment of wages paid to the Finance Director.

Recommendation

Our examination determined 1) the WHISPER and Cornfest reimbursements issued to Ms. Majeski were for a proper public purpose, 2) the Maple Grove Grange building was used in accordance with the City's informal policy, and 3) the Finance Director received compensation commensurate with the City Ordinance and hours worked. As a result, we were unable to substantiate the issues identified by the City Council President.

As a result, we recommend the preliminary examination be closed without further action and the results of our work be forwarded to the financial audit division for consideration in the next financial audit.

Frank Brichacek

From: Michelle L. Burke <MLBurke@ohioauditor.gov>
Sent: Monday, July 01, 2019 7:58 AM
To: Frank Brichacek
Cc: Georgiana C. Mavros
Subject: City of Willoughby Hills Auditor of State Preliminary Audit/Investigation Results

Good Morning –

We have completed our preliminary audit and investigation into the complaint received related to the City of Willoughby Hills and the case was closed on June 20, 2019. The results of our work were forwarded to the financial auditors for consideration as part of the financial audit. A public records request can be made with our Open Government Unit should you want to obtain any documentation related to the review.

Thank you for all of your assistance during the review. It was greatly appreciated!

Michelle Burke, CFE
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