



OHIO AUDITOR OF STATE
KEITH FABER



**PIKE COUNTY CONVENTION AND VISITORS BUREAU
PIKE COUNTY**

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OHIO AUDITOR OF STATE KEITH FABER



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Pike County
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To the County Commissioners:

Background

The Auditor of State (AOS), Special Investigations Unit (SIU) conducted a criminal investigation and special audit of the Pike County Convention and Visitors Bureau (the Bureau) predicated on issues identified during the Bureau's 2017-2018 financial audit.

The investigation began on November 19, 2020, after SIU received information from the AOS financial audit division that they had identified some expenditures made by Sharon Manson, Executive Director, with no supporting documentation and additional payroll checks received by Ms. Manson.

After the information obtained from interviews and preliminary examination of subpoenaed records was considered, a special audit was declared by the Auditor of State.

This engagement was conducted in accordance with the [Auditor of State Special Investigations Unit, Quality Standards](#).

Suspect

The Bureau filed Articles of Incorporation with the Secretary of State of Ohio on November 3, 1998, and Sharon Manson was one of the original Trustees. Ms. Manson eventually became the Executive Director of the Bureau until her termination on March 31, 2019.

Schemes

During the period of October 1, 2016 through January 31, 2019 (Period), Ms. Manson perpetrated two schemes.

Payroll

Per the Contract of Employment covering October 1, 2016 through September 30, 2017, Ms. Manson was supposed to be paid bi-weekly (26 times per year) totaling \$27,040; however, we identified she received 32 checks totaling \$33,280, resulting in her being overpaid by \$6,240. During an SIU interview with Ms. Manson, she confirmed she received payroll advances. The Board never authorized or permitted Ms. Manson to issue payroll advances to herself.

Debit Card

On June 15, 2018, Ms. Manson took out a personal short term loan from Cash America in the amount of \$545.54, which was due to be paid on June 30, 2018. On July 2, 2018, an attempted ACH payment from Ms. Manson's personal bank account was made on the loan account. On July 3, 2018, the ACH transaction was returned due to insufficient funds in Ms. Manson's personal bank account. The loan account went to Cash America "collections." On July 12, 2018, there was a payment totaling \$565.54 made on the loan account from the Bureau's bank account via the debit card, paying the loan account in full. The loan payment included a \$20 check collection charge. Ms. Manson was not authorized to use the Bureau debit card for personal expenses.

Findings

Based on the special audit procedures and investigation, the AOS confirmed the allegation that Ms. Manson misappropriated expenditures over a span of approximately two years.

We issued \$6,805 in findings for recovery for misappropriated expenditures during the Period.

The full details of the findings for recovery are located in the Appendix.

Prosecution

At the conclusion of the special audit and investigation, a prosecution packet was presented to the AOS Special Prosecutor, serving by appointment of the Pike County Prosecuting Attorney.

On March 8, 2022, Sharon Manson agreed to a Bill of Information of one count of Attempt to Commit Theft in Office and one count of Soliciting or Accepting Improper Compensation.

On May 10, 2022, Sharon Manson entered a plea of guilty for Attempt to Commit Theft in Office, in violation of Ohio Rev. Code § 2921.41(A), a misdemeanor of the first degree, and for Soliciting or Accepting Improper Compensation, in violation of Ohio Rev. Code § 2921.43(A), a misdemeanor of the first degree.

The Honorable Judge Stephen Wolaver sentenced Sharon Manson to perform 30 hours of community service under the direction of the Pike County Probation Department; pay a fine of \$250 on each charge; and pay court costs. In addition, Judge Wolaver ordered Ms. Manson to pay restitution in the amount of \$6,805.54 to the Bureau.

The exit conference was waived by the Pike County Commissioners; however, the Commissioners were given five days to respond to this special audit report. A response was not received from the Commissioners.



Keith Faber
Auditor of State
Columbus, Ohio

February 24, 2023

APPENDIX
SCHEDULE OF FINDINGS FOR RECOVERY



APPENDIX

FINDING FOR RECOVERY REPAID UNDER AUDIT

Payroll

On November 7, 2016, the Bureau executed a **Contract of Employment** (contract) with Sharon Manson to be the Executive Director. Per the contract, the term of the agreement was for a period of one year commencing October 1, 2016 through September 30, 2017 at the rate of \$1,040 payable bi-weekly.

Based on the terms of the contract, Ms. Manson should have been paid 26 times totaling \$27,040. However, we identified 32 checks totaling \$33,280 issued to Ms. Manson resulting in her being overpaid by \$6,240.

Debit Card

State ex rel. McClure v. Hagerman, 155 Ohio St. 320 (1951), provides that expenditures made by a governmental unit are to serve a public purpose. Typically, the determination of what constitutes a “proper public purpose” rests with the judgment of the governmental entity, unless such determination is arbitrary or unreasonable. Even if a purchase is reasonable, Ohio Attorney General Opinion 82-006 indicates that it must be memorialized by a duly enacted ordinance or resolution and may have a prospective effect only. **Auditor of State Bulletin 2003-005 Expenditure of Public Funds/Proper Public Purpose** states that the Auditor of State’s Office will only question expenditures where the legislative determination of a public purpose is manifestly arbitrary and incorrect.

On July 13, 2018, the Bureau made a debit card purchase for \$565 with Cash America. The purchase was to pay a short-term loan owed by Ms. Manson.

Finding for Recovery Conclusion

On May 10, 2022, Ms. Manson was ordered to pay \$6,805 in restitution to the Bureau in Pike County Common Pleas Court Case No. 2022 CR000019.

In accordance with the foregoing facts and pursuant to **Ohio Rev. Code § 117.28**, a finding for recovery for public property converted or misappropriated is hereby issued against Sharon Manson in the amount of \$6,805 and in favor of the Bureau’s operating fund.

On May 10, 2022, Ms. Manson made a payment in the amount of \$6,805 to the Bureau resulting in the full repayment of the findings for recovery against Ms. Manson.

OHIO AUDITOR OF STATE KEITH FABER



PIKE COUNTY CONVENTION AND VISITORS BUREAU SPECIAL AUDIT

PIKE COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 3/23/2023

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This report is a matter of public record and is available online at
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