



OHIO AUDITOR OF STATE
KEITH FABER



**BLENDON TOWNSHIP
FRANKLIN COUNTY**

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OHIO AUDITOR OF STATE KEITH FABER



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Blendon Township
Franklin County
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To the Board of Trustees:

Background

The Auditor of State (AOS), Special Investigations Unit (SIU) conducted a criminal investigation and special audit of Blendon Township (the Township) predicated on information received alleging the former Township Administrator received unauthorized compensation for his salary and unused vacation leave payouts and made unauthorized credit card transactions.

The investigation began in August 2022, after SIU received a memorandum from the AOS Central Region financial auditors. It was alleged former Township Administrator Bryan Rhoads received unauthorized compensation, conducted personal business at the Township using Township resources, and made unauthorized credit card expenditures. Additionally, there were concerns of missing Township records, leave balances, and unused leave payouts to Mr. Rhoads.

After the information obtained from interviews and preliminary examination of Township payment, payroll, and leave 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

Mr. Rhoads was hired by the Township in September 2002 as an unpaid Reserve Police Officer. In June 2003, Mr. Rhoads was upgraded to part-time status by the Township, which was a paid position. In February 2012, the Township appointed Mr. Rhoads as Administrator on a part-time basis. The Township hired Mr. Rhoads as the full-time Administrator effective November 2012. In March 2016, the Township assigned Mr. Rhoads to the position of part-time Second Lieutenant in the Police Department. Mr. Rhoads resigned from the Township on May 25, 2022.

Schemes

On December 1, 2012, the Township adopted Resolution 12-23 to establish the terms and conditions for the Township Administrator and appointed Mr. Rhoads as the Administrator. On March 23, 2016, the Township adopted Resolution 2016-05 creating the position of part-time Second Lieutenant and assigning the position to Township Administrator, Mr. Rhoads, as an additional job requirement under Ohio Rev. Code § 505.032. For the period of March 23, 2016 through May 25, 2022 (the Period), we examined all compensation and unused leave payouts paid to Mr. Rhoads and noted the following:

Unauthorized Salary

For the Period, we identified the authorized amount owed to Mr. Rhoads as Township Administrator and compared it to the amount he was compensated and noted the following:

FY	Authorized Administrator Salary	Amount Paid to Mr. Rhoads	Amount Overpaid
2016 ¹	\$66,918.20	\$74,293.82	\$7,375.62
2017	89,168.30	100,294.66	11,126.36
2018	89,168.30	95,628.30	6,460.00
2019	91,843.44	109,523.44	17,680.00
2020	94,598.66	120,498.66	25,900.00
2021	100,274.98	116,023.78	15,748.80
2022 ²	44,772.76	49,625.12	4,852.36
Totals	\$576,744.64	\$665,887.78	\$89,143.14

Based on review of payroll records, Mr. Rhoads received a biweekly salary for compensation as the Township Administrator and was also improperly receiving additional compensation at an hourly rate related to his position as part-time Second Lieutenant.

Unused Vacation Leave Payouts

For the Period, Mr. Rhoads received four payments³ totaling \$26,533.80 for unused vacation leave. The Township maintained minimal vacation leave records for 2019 through 2022, and there were no vacation leave records prior to 2019. Using the vacation leave records available and the Township Employee Handbook, we recalculated Mr. Rhoads leave balances and determined he was paid out for unused vacation leave he did not have available as follows:

FY	Carryover Balance (Vacation Hours) from Prior Year	Vacation Hours Accrued	Vacation Hours Used	Vacation Hours Balance	Vacation Hours Paid to Rhoads	Variance	Rhoads Hourly Rate	Amount Paid for Vacation Hours not Available
2020	20	120	0	140	200	(60)	\$45.48	\$2,728.80
2021	0	120	(16)	104	244	(140)	48.20	6,748.00
								\$9,476.80

Credit Card Transactions

For the Period, we reviewed supporting documentation available for certain transactions made by Mr. Rhoads using a Township credit card and identified the following personal expenditures, which do not serve a proper public purpose for the Township:

- Mr. Rhoads made 22 transactions totaling \$832.72 to DoorDash, and the Township did not have any supporting documentation for the transactions.
- Mr. Rhoads made eight transactions totaling \$2,541.26 to Banana Republic. The Township located one receipt totaling \$390.01 on Mr. Rhoads' cell phone, and it was for the purchase of a suit jacket and pants.
- Mr. Rhoads made three transactions totaling \$870.65 to Men's Wearhouse. The Township located one receipt totaling \$161.24 for a pair of dress shoes.
- Mr. Rhoads made 31 transactions totaling \$741.74 to Swan Cleaners and had no supporting documentation. We obtained receipts for six transactions totaling \$138.51, and they were for laundry and dry cleaning of trousers, shirts, and coat jackets.

¹ Amounts are based on the period of March 21, 2016 (beginning of pay period related to the beginning of the audit period) through end (last full pay period) of the fiscal year.

² Amounts based on pay through May 25, 2022 (end of the audit period).

³ Unused vacation leave payouts were issued to Mr. Rhoads in 2017, 2019, 2020, and 2021.

Findings

Based on the special audit procedures and investigation, the Auditor of State confirmed the allegations that Mr. Rhoads was overpaid for his salary and unused vacation leave over a span of six years. Additionally, we confirmed Mr. Rhoads made unauthorized credit card transactions for personal expenditures.

We issued \$103,606.31 in findings for recovery for illegally expended Township funds 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 Franklin County Prosecutor related to the unauthorized salary compensation and the unused vacation leave payouts. The County Prosecutor declined to pursue criminal charges.

On November 1, 2024, we held an exit conference with the following individuals representing the Township:

Pat Myers, Township Administrator
Jan Heichel, Trustee
DeLena Ciamacco, Trustee

Cathy Shinaberry, Trustee
Peter Griggs, Township Law Director

The attendees were informed they had five business days to respond to this special audit report. A response was received on November 7, 2024. A response was provided by Jan Heichel and was evaluated in the final preparation of this report.



Keith Faber
Auditor of State
Columbus, Ohio

October 23, 2024

APPENDIX
SCHEDULE OF FINDINGS FOR RECOVERY



APPENDIX

FINDINGS FOR RECOVERY PARTIALLY REPAID UNDER AUDIT

Unauthorized Salary

Ohio Rev. Code § 505.032(G), states, in part, “The township administrator shall, under the direction of the board of township trustees... perform such additional duties as the board may determine by resolution. The board of township trustees may assign to such Township administrator any office, position, or duties under its control; such office, position, and duties to be performed under the direction and supervision of the board and to be in addition to the those set forth in this section.”

Township Resolution No. 12-23, Section 4, states, in part, “[Mr. Rhoads’] entire compensation from the Township for all services performed while employed on a regular full-time basis as the Blendon Township Administrator shall be a salary payable biweekly at the rate of Eighty Thousand Dollars (\$80,000.00) per year. The Board may, in its absolute and sole discretion, from time to time, amend [Mr. Rhoads’] salary rate.”

Township Resolution 2016-05, Section 2, states, in part, “the position of part-time Second Lieutenant is assigned to Township Administrator Bryan Rhoads as an additional job requirement under O.R.C. 505.32.”

For the Period, Mr. Rhoads was paid \$89,143.14 in additional compensation as the Township Administrator for work related to his part-time position as Second Lieutenant. The Township Trustees assigned Mr. Rhoads the position of part-time Second Lieutenant and the additional duties were to be performed as part of his duties as the Township Administrator. The Township Trustees never amended Mr. Rhoads’ salary to include additional compensation for duties performed related to the part-time Second Lieutenant assignment.

Unused Vacation Leave Payouts

Per the **Township Employee Handbook, Employee Absence Policies section**, only full-time employees are entitled to vacation benefits. Full-time employees with five years of continuous service but less than ten years are eligible to receive 15 vacation days. Employees may carry over vacation time from one calendar year to the next. In no event can an employee carry over more than eighty hours.

During 2020 and 2021, Mr. Rhoads received unused vacation leave payouts totaling 444 hours of unused vacation leave; however, he only had 244 hours available for payout, resulting in an overpayment of \$9,476.80.

Credit Card Transactions

Township Credit Card Policy (2019), states in part, the following:

- Any credit card account, regardless of Board approval, may only be used to purchase work-related goods and services incurred on behalf of the Township.
- The use of a credit card account for personal expenses is expressly prohibited. Personal expenses include those expenses that are not incurred as a result of the authorized user’s employment with the Township.
- All purchases must be evidenced by an itemized receipt.
- Prior to using a credit card the authorized user should make a good faith effort to notify the Board, their authorized representative, or the Fiscal Officer of the intended purchase.
- Original, itemized receipts must be submitted to the Fiscal Officer or the Fiscal Officer’s designee as soon as reasonably possible. The receipt should include the customer copy of the receipt, any invoice from the vendor, the cost of goods or services purchased, and date of the purchase. The authorized user should also submit documentation verifying the purchase was made on behalf of the Township, if required to describe the purchase.
- Using a credit card for unauthorized expenses, constitutes misuse. Failing to submit receipts, or submitting incomplete information, within a reasonable time after making purchase also constitutes misuse.

APPENDIX

Mr. Rhoads made 64 credit card transactions totaling \$4,986.37 that were determined to be personal transactions and a misuse of the Township's credit card.

Findings for Recovery Conclusion

In accordance with the foregoing facts and pursuant to **Ohio Rev. Code § 117.28**, a finding for recovery for public monies illegally expended is hereby issued against Bryan Rhoads, former Township Administrator in the amount of \$103,606.31 and Ohio Township Association Risk Management Authority⁴, jointly and severally, in the amount of \$7,788, and in favor of the Township's General Fund totaling \$98,619.94 and \$4,986.37 to be determined by the Township⁵.

On January 26, 2021, the Township received and deposited a check from Mr. Rhoads in the amount of \$560.81 for reimbursement of credit card transactions, resulting in an unpaid balance of \$103,045.50.

⁴ Mr. Rhoads only had coverage from October 13, 2021 through May 25, 2022.

⁵ This amount includes the finding amount from credit card transactions that occurred during the Period. The fund allocation was not readily determinable based on the audit support and should be determined by the Township.

OHIO AUDITOR OF STATE KEITH FABER



**BLENDON TOWNSHIP
SPECIAL AUDIT**

FRANKLIN 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 12/10/2024

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This report is a matter of public record and is available online at
www.ohioauditor.gov