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August 7, 2023

**Contact: Micah Safsten
435-755-1840**

FOR IMMEDIATE RELEASE

The Cache County Council was recently made aware of a report from the Utah Office for Victims of Crime (UOVC) that imposed conditions on Cache County's 2024-2025 VAWA Prosecution, VAWA Investigations, and VOCA Victim Services grants. These grants, which typically amount to around \$500,000 annually, provide crucial funding for law enforcement and victim services in Cache County every year. Furthermore, the loss of these grants could put Cache County at risk of losing millions of dollars of additional federal and state grants that help fund the jail, roads and other crucial services administered by the County.

A primary responsibility of Cache County government is to keep the people of Cache County safe. Losing these grants, and thus compromising our ability to protect the citizens of Cache County, is not an option. The attached report by the Utah Office for Victims of Crime, and discussions by representatives from that office, indicate that changes in financial administration, as well as personnel policies and administration, are needed before Cache County can be approved for these grants.

As the Council has considered its options in responding to this report, and in discussions with other County Officers, the Council has proposed a set of changes as to who has authority in disbursing and accounting for County funds. These changes are reflected in two resolutions and one ordinance that appear on the agenda for the meeting of the Cache County Council on August 8, 2023. These changes are not a deviation from state law. Rather, they are allowable decisions under existing law that simply alter a decision made by a previous Cache County Council.

While keeping the citizens of Cache County safe is our highest priority, protecting their money is our next highest priority. Future Council meetings, as well as additional collaboration involving all County Elected Officials, will be necessary in making the changes proposed. We have attached a copy of both reports from the UOVC, highlighting the need to implement immediate changes to our County's financial administration.

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State of Utah
Commission on Criminal and Juvenile Justice
Utah Office for Victims of Crime
350 E 500 S #200, Salt Lake City, Utah 84111

July 26, 2023

David Zook
Cache County Attorney's Office
179 North Main
Logan, Utah 84321

Re: Grant Nos: 16W1903; 17W1903; 18W2003; 21/22VOCA24; 21/22VOCA102

Dear Mr. Zook,

Over the last few months the Utah Office for Victims of Crime (UOVC) has conducted a review of the Cache County Attorney's Office use of VAWA funds with a focus on the VAWA Prosecution grant's billing for services to Rich County for grant fiscal years 2018, 2019, and 2020. This review is now complete. We want to thank the Cache County Attorney's Office staff for the time and assistance provided during the site visit conducted on June 7, 2023 and throughout the review process. We appreciated having the opportunity to discuss the status of the grant program and related issues. Your team were all cooperative and responsive in providing me the information we needed to complete our review.

The following documentation was reviewed during the site visit and through a desk review: financial documents, policies and procedures, contracts, interviews, and other supporting documents. At the end of this letter are issues for resolution identified during this review. These issues must be addressed and remedied. If you have further questions concerning this monitoring, your program, or available technical assistance, please do not hesitate to contact me at 801-227-9375 or via email at garys@utah.gov. Thank you again for your cooperation and assistance during this monitoring event. We look forward to continuing to work with you and your staff. Please contact us with any additional questions you may have. We appreciate your assistance as we strive for compliance with all Federal, State, and grant conditions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Gary Scheller".

Gary Scheller

Director; Utah Office for Victims of Crime

CC: Wendy Winder, Tallie Viteri, Dale Oyler, Pauli Romine, Moriah Pease, Brionna Talbot-UOVC; Dane Murray, Scott Bodily-Cache County; Tracey Tabet, Lana Taylor, Craig Barlow-Utah Attorney General's Office; Julie Wrigley-Office of the State Auditor

The following issues for resolution were identified:

Issue for Resolution: The subgrantee, Cache County Attorney's Office (CCAO), has not maintained effective internal controls over the program supported in part by the above grants under C.F.R. 200.303 Internal controls and C.F.R. 200.400 which requires entities to (a) be responsible for the efficient and effective administration of the Federal award through the application of sound management practices; and (c) employ sound organization and management techniques in order to assure proper and efficient administration of the Federal award.

Summary of the Problem: The Utah Office for Victims of Crime (UOVC) was notified of a special investigation being completed by the Utah State Auditor's Office that might include concerns with the VAWA Prosecution grant administered by UOVC. After the completion of the State Auditors special investigation, UOVC reviewed the report and began its own investigation which revealed concerns in several areas that were cross cutting across the funding sources UOVC administers to CCAO. The entirety of the concerns outlined below are examples of a larger issue of lack of internal controls.

Contract Management

Beginning in January, 2018; the CCAO began billing the VAWA prosecution grant for services provided to Rich County under a contract signed by James Swink, Craig Buttars, and The Deputy County Clerk for Cache County. The following are elements of the contract to be noted:

1. The contract states "Rich County will pay \$3,000.00 each month to the Cache County Attorney's Office for the services described in the agreement through 2017; renewable through the remainder of the contract subject to budget availability in 2018. The contract further states that this payment is to cover prosecution services, mileage to and from court, training expenses, and cop and office expenses". The contract was in effect from September 13, 2017 – January, 2019 and would be "automatically renewed unless either party provides written notice to the other at least 60 days in advance of the end of the contract".
2. We could not find any mention of the original contract or its expiration in the Cache County Commission minutes or recordings and we found no written termination of the agreement between Cache and Rich Counties yet minutes from the Rich County Commission meeting on November 7, 2018 show that the Rich County Attorney Ben Willoughby discussed the contract with the commission and said they would like the contract to expire and Rich County would contract with James Swink and Tony Baird directly.
3. The County Attorney's Office had several other contracts that they were performing services on, but had never collected a payment.

Finance Practices

4. Although the contract stated that the money was to go to Cache County Attorney's Office to cover prosecution services and associated costs, the funds were not entered into the Attorney's Office budget. They were directly provided to James Swink, Tony Baird, and Cameron Jensen. Handling the funds in this manner is not consistent with sound financial practices as Cache County was paying the salary, benefits, travel costs, database costs, training, and all other expenses but were not utilizing the funds provided for these purposes. The distribution of funds directly to the County Attorney and Deputy County Attorney was approved by Cache County Executive Craig Buttars, indicating the problem was wide spread.

5. Beginning with the January 2018 payment, the contract funds were split between nine County employees; however, the majority of the money was split between James Swink and Tony Baird. The same process was in place for the payments received from Hyrum City in the amount of \$2,000.00 per month. These two contracts totaled \$60,000.00 with \$36,000.00 of that coming from the Rich County contract.
6. Cache County Finance department head Cameron Jensen was signing and processing the payments made to CCAO staff, including his own "bonus". Cameron received \$200 per month from the Rich contract payments and an additional \$200 per quarter for the Hyrum City contract. It is unclear why Cameron would have received any of this money. It was authorized at some point by County Executive Craig Buttar.

Questioned costs:

7. In 2018, the VAWA prosecution grant was billed \$20,588.78 for costs associated with Rich County. Had the CCAO responsibly utilized the payments from Rich County, they would not have needed the VAWA funding for that service area.
8. In 2019 the VAWA prosecution grant was billed \$22,671.81 for services associated with Rich County. Services for Rich County prosecution were being provided by a private contract with James Swink yet the county continued to bill VAWA for these expenses.
9. In 2020 the VAWA prosecution grant was billed \$34,656.88 for services associated with Rich County. Services for Rich County prosecution were being provided by a private contract with James Swink yet the county continued to bill VAWA for these expenses. This practice was stopped in the 2021 grant cycle after an employee, Terryl Warner, became aware of the problem and stopped including funding for services in Rich County in the VAWA application.
10. We question the allowability of these costs based on the requirement that they be necessary and reasonable under C.F.R.200.403 (a). These questioned costs require repayment in the amount of **\$77,916.69**.

Personnel management:

11. In 2018, finance department employees expressed concern over the way the funds were being handled. In response, County Executive Craig Buttar issued a letter to one of these employees stating, in essence, that he did not believe there was a problem and that they should direct any further concerns to the department head, Cameron Jensen. This is highly inappropriate given that the concerns were directly related to the actions of that department head.
12. The terminated employee reports that they were threatened with a lawsuit by James Swink if they did not sign a non-disclosure agreement related to their employment.
13. The second employee involved in raising concerns later quit and reports it was due to how hostile the workplace became for them after the concern was raised.
14. Concerns were raised with Human Resources surrounding the hostile environment being created in the finance department and the treatment of women in general within the County. We were not provided with any evidence that these grievances were appropriately addressed.
15. After the State Auditors Office completed a review and found misappropriation of funds, including those on the VAWA prosecution grant, no steps were taken by the County to look into the involvement of the finance department, despite concerns being raised by their own staff in the past and the finance director directly profiting from the way these funds were being processed. It is highly concerning that the County did not recognize the need to look into the issue further and shows furtherance of a pattern of not addressing internal control problems. Action was only taken after UOVC staff expressed concern with this situation.

Corrective Action: Within 45 days the grantee will provide to UOVC (a) a written explanation of steps Cache County has taken or intends to take to improve internal controls within the Cache County Attorney's Office and Finance department; (b) a written explanation of steps Cache County has taken or intends to take to prevent similar misuse of Federal funds in the future; (c) a detailed plan explaining how repayment of the overbilled amount of \$77,916.69 will be made, including the expected timeline. Repayment of this cost is required under 2CFR 200.410 Collection of unallowable costs.

Issue for Resolution: The subgrantee, Cache County Attorney's Office (CCAO), has engaged in several practices that do not align with their internal policies and procedures, and certified assurances and grant conditions. While UOVC is not a criminal investigation entity, concerns were noted regarding potential state and county code violations. The following are examples found to be relevant for consideration in our review of controls and measures designed to prevent the misuse of funding.

Summary of the problem: In reviewing the internal documentation, policy and procedure, and local and state code, we identified several violations. Below are a few examples of these policies. While many of these policy violations were done by past County employees, Individuals within the organization were aware of and even supported the practices including the past County Executive, current HR director, and current finance department head.

County Code

2.16.060 Full time Employment

A. Deputy county attorneys in a career status shall be full time employees and shall not engage in the private practice of law, nor shall they receive any fee for any legal service rendered to any person, corporation, partnership, or other legal entity other than the state or the county in which the attorney holds office or by whom the attorney is employed.

Utah Code Part 4 - Offenses against public property

76-8-402 - Misusing public money or public property

(1)(a)(iii). At the time the public servant uses the public property for a personal matter, a written policy of the public servant's public entity is in effect that authorized the public servant to use or possess the public property for personal use in addition to the primary purpose of fulfilling the public servant's duties as a public servant.

(2)(a) It is unlawful for a public servant to knowingly appropriate public money to the public servant's own use or benefit or to the use or benefit of another without authority of law.

(4) A violation of subsections (2)(a) through (i) is a felony of the second degree if:

- (a) The value of the public money exceeds \$5,000.00

76-8-404 – Making profit from or misusing public money or public property – Disqualification from office – Criminal penalty

A public officer, regardless of whether or the public officer receives, safekeeps, transfers, disburses, or has a fiduciary relationship with public money, who makes a profit from or out of public money or public property, or who uses public money or public property in a manner or for a purpose not authorized by law and is convicted of a felony under section 76-8-402 is, in addition to the punishment provided by law, disqualified from holding public office.

Cache County Personnel Polices

Section VIII – Rules and Regulations

F. Disclosure

- Officers and employees shall not attempt to use their official position to secure special privileges for themselves or others; knowingly receive, accept, take, see or solicit, directly or indirectly any gift or loan for themselves or another if the gift or loan tends to influence them in the discharge of their official duties; receive or agree to receive compensation for assisting any person or business entity in any transaction involving the County unless they file a statement, with the County Council, giving the information required and disclosing in an open meeting such information.
- 5. If an officer or employee is required to file a disclosure or sign a document for disclosure and fails to do so, such failure or refusal shall be a reason for disciplinary action.
- 6. Any officer or employee who knowingly and intentionally violates or attempts to violate any provision of the County Officers and Employees' Disclosure Act shall be dismissed from employment. Any elected official who violates this act will be subject to discipline as identified in the State of Utah code and statutes.

G. Ethics:

1. Officers and employees shall not: Use or attempt to use his or her official position to further the officers or employees' personal economic interest or secure special privileges or exemptions for themselves or others.
2. No officer or employee shall knowingly receive, accept, take, seek, or solicit, directly or indirectly, any gift, compensation, or loan for themselves or another if:
 - The commission of any criminal offense against the government under Title 76, Utah Code Annotated, or under any other criminal statute, shall be deemed a major violation; minor traffic violations being exempted here from.
3. No officer or employee shall receive or agree to receive compensation for assisting any person or business entity in any transaction involving the County unless the officer or employee follows the requirements in Cache County Code ~2.60.020 and Utah Code Annotated (SS)17-16a-5

J. Outside Employment:

An employee shall not engage in any outside employment which in any way interferes with the proper performance of their County duties or which results in a conflict of interest. Employees shall not engage in outside employment activities while on duty.

O. Payday and Pay Checks:

3. The employee is responsible to ensure that his/her payroll records are current and accurate. This includes hours worked, holidays/specials, changes in Personal Leave accrual rate, insurance coverage, 401k contributions, Health Savings Account (HSA), or Flexible Spending Account information (FSA).
4. Changes in an employee's wage/salary must be reported to Human Resources on a Payroll Change of Status form; HR will submit changes to the payroll specialist

Q. Computers, Internet and Email policy

This policy defines the proper use of Cache County computers, phones, and related technical resources and the disciplinary action(s) that may be taken for violation(s) of the policies set forth in this chapter. Computers and phones are assigned to employees to facilitate effective and efficient performance of their duties...

W. Whistle Blowing

The County will not implement rules or policies that unreasonably restrict an employee's ability to document the existence of any waste of public funds, property, or manpower, or a violation or suspected violation of any laws, rules, or regulations.

Certified Assurances and Grant Conditions:

1. Section A.12: Restriction and certifications regarding non-disclosure agreements and related matters.
2. Section A.15: Misuse of award funds
3. Section B.31: Compliance with Federal Financial Guidelines
4. Section B.32: High Risk Grantees
5. Section B.34: Cost Principles
6. DOJ Financial Guide 3.20: Grant Fraud, Waste, and Abuse (Conflict in Appearance)

Corrective Action: Within 45 days the grantee will provide to UOVC a written plan describing how Cache County will ensure that relevant policies, procedures, grant conditions, and all relevant laws are understood and followed by employees.

The Utah Office for Victims of Crime appreciates the services the Cache County Attorney's Office provides to victims in their area and values the professional relationship that has been created. However, we are highly concerned with some of Cache County's financial and internal control practices. We look forward to working with the Cache County Attorney's Office on improving compliance with all Federal, State, and grant conditions.



State of Utah
Commission on Criminal and Juvenile Justice
Utah Office for Victims of Crime
350 E 500 S #200, Salt Lake City, Utah 84111

July 26, 2023

David Zook
Cache County Attorney's Office
179 North Main
Logan, Utah 84321

Dear Mr. Zook,

In accordance with 2 CFR § 200.208, Utah Office for Victims of Crime (UOVC) is imposing additional conditions on your 2024-2025 VAWA Prosecution, VAWA Investigations, and VOCA Victim Services grants due to failure to comply with grant terms and conditions. This letter serves as notification of these additional conditions, which are detailed below.

<p><i>Nature of additional requirements</i></p>	<ol style="list-style-type: none">1. Create and provide UOVC with a copy of a plan to ensure adequate internal controls are in place to prevent similar issues in the future. This needs to include a plan to enforce current County policies. Pending UOVC awards will not be activated until this step is completed to satisfaction.2. Work with your UOVC grant analyst to arrange training on VOCA requirements for all staff, administration, certifying officials, and others involved with carrying out or overseeing the programs receiving funding through the grants administered by UOVC.3. UOVC will increase monitoring until the issues are resolved. This will include requiring full documentation submitted with all billing requests, additional scheduled and unscheduled site visits, and increased financial reviews. <p>Per 2C.F.R.200.339:</p> <p>If UOVC determines that noncompliance cannot be remedied by imposing additional conditions, UOVC <i>may</i> take one or more of the following actions, as appropriate in the circumstances:</p> <p>(a) Temporarily withhold cash payments pending correction of the areas of noncompliance,</p>
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Subgrantee Additional Conditions

	<p>(b) Disallow all or part of the cost of the activity or action not in compliance, (c) Wholly or partly suspend or terminate the award, (d) Recommend the suspension or debarment of the subrecipient, (e) Withhold further awards for the project or program, and (f) Take other remedies that may be legally available.</p>
<p><i>Why additional requirements have been imposed</i></p>	<p>A special investigation identified multiple problems occurring in the Cache County Attorney’s Office from January 1, 2018 through the present time including:</p> <ol style="list-style-type: none"> 1. Internal controls are not sufficient to prevent misuse of funds and to ensure compliance with County policies. 2. Mismanagement of contracts and the payments from them which led to billing the VAWA grant for costs that were found not to be reasonable and necessary. 3. Inadequate documentation of grant funded staff time and activity records despite technical assistance in this area. 4. Lack of action taken by the County to address potential fraud, waste, or abuse of funds by current staff. <p>The following grant conditions are applicable:</p> <ol style="list-style-type: none"> 1. Section A.12: Restriction and certifications regarding non-disclosure agreements and related matters. 2. Section A.15: Misuse of award funds 3. Section B.31: Compliance with Federal Financial Guidelines 4. Section B.32: High Risk Grantees 5. Section B.34: Cost Principles 6. DOJ Financial Guide 3.20: Grant Fraud, Waste, and Abuse (Conflict in Appearance)
<p><i>Nature of the action needed to remove these additional requirements, if applicable</i></p>	<ol style="list-style-type: none"> 1. Provide documentation of the completion of trainings on grant requirements to wswinder@utah.gov. 2. Provide quarterly reports to UOVC for four quarters that describes actual and steps taken to improve internal controls. 3. UOVC will request documentation periodically for four quarters. The requested documentation must be provided promptly.
<p><i>Time allowed for completing the actions, if applicable</i></p>	<p>July 1, 2023 – June 30, 2024 or sooner if the agency has demonstrated reasonable correction of identified issues.</p>
<p><i>Method for requesting reconsideration of the additional requirements imposed</i></p>	<p>Send a request for reconsideration to Wendy Winder at wswinder@utah.gov within 30 days of the date of this document. Please include detailed information about what portions you are requesting reconsideration on and include a justification.</p>

Subgrantee Additional Conditions

Please contact us with any additional questions you may have. We appreciate your assistance as we strive for compliance with all Federal, State, and grant conditions.

Thank you,

Wendy Winder

Wendy Winder
UOVC Subrecipient Monitor

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CC: Wendy Winder, Tallie Viteri, Dale Oyler, Denette Stanger, Pauli Romine, Moriah Pease, Brionna Talbot - UOVC
Dane Murray, Scott Bodily – Cache County; Tracey Tabet, Lana Taylor – Utah Attorney General's Office