



OHIO AUDITOR OF STATE
KEITH FABER



**COLUMBUS ZOOLOGICAL PARK ASSOCIATION
DELAWARE COUNTY**

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65 East State Street
Columbus, Ohio 43215
FraudOhio@ohioauditor.gov
(800) 282-0370
Report fraud: 866-Fraud-OH

FRAUD EXAMINATION REPORT

Columbus Zoological Park Association
Delaware County
9990 Riverside Dr.
Powell, Ohio 43065

To the Columbus Zoological Park Association Board of Directors and President/Chief Executive Officer:

Summary

The Auditor of State (AOS), Special Investigations Unit (SIU), in coordination with the Delaware County Prosecutor's Office and the Attorney General's Office, conducted a criminal investigation and special audit of the Columbus Zoological Park Association¹ (the Zoo) predicated on a 2021 news article identifying possible misuse of Zoo resources by now former Zoo executives. While the Zoo is not entirely supported by public funds, the Zoo receives quarterly special real estate tax levy proceeds from Franklin County taxpayers. The Zoo's use of the levy funds is restricted to specific categories, such as animal health, nutrition, care, facilities, and conservation education. The total expenditures incurred for the allowable levy categories is always greater than the amount of quarterly levy proceeds received, which additional Zoo general funds are used to pay the difference.

The investigation identified \$2,335,193.35 in misappropriated Zoo assets and expenditures which supported criminal charges against former Chief Executive Officer (CEO), Thomas Stalf, former Chief Financial Officer (CFO), Greg Bell², former Director of Marketing, Peter Fingerhut, former Director of Purchasing, Tracy Murnane (these four herein referred to as "Zoo executives"), and former Purchasing Logistics Coordinator, Grant Bell.

Thomas Stalf

On September 18, 2023, Mr. Stalf was indicted by the Delaware County grand jury on 36 counts, including one count of Engaging in a Pattern of Corrupt Activity, two counts of Aggravated Theft, one count of Conspiracy, two counts of Bribery, six counts of Money Laundering, 22 counts of Tampering with Records, and two counts of Telecommunications Fraud.

On July 23, 2024, Mr. Stalf entered a negotiated plea of guilty to 15 counts, as outlined below:

| | |
|-------------|---|
| One count | Aggravated Theft, a felony of the second degree, in violation of R.C. 2913.02(A)(3) |
| One count | Conspiracy, a felony of the second degree, in violation of R.C. 2923.01 |
| One count | Telecommunications Fraud, a felony of the third degree, in violation of R.C. 2913.05(A) |
| Two counts | Tampering with Records, a felony of the third degree, in violation of R.C. 2913.42 |
| Five counts | Tampering with Records, a felony of the fourth degree, in violation of R.C. 2913.42 |
| Five counts | Tampering with Records, a felony of the fifth degree, in violation of R.C. 2913.42 |

On October 14, 2024, the Honorable Judge David Gormley sentenced Mr. Stalf to seven years in prison, ordered restitution of \$315,572.65 (which he fully repaid), and fined him \$10,000.00.

¹ In addition to the Zoo, the Association also consists of three additional properties owned and managed by the Zoo: The Wilds (safari park and conservation center), Zoombezi Bay (waterpark), and Safari Golf Club.

² Greg Bell and his son, Grant, were both involved in this case and are mentioned throughout this report. For ease of reference, Greg Bell is referred to as Mr. Bell, while Grant is referred to as Mr. G. Bell.

Greg Bell

On September 18, 2023, Mr. Bell was indicted by the Delaware County grand jury on 14 counts, and on October 19, 2023, he entered a plea of guilty to the 14-count indictment, as outlined below:

| | |
|-----------|---|
| One count | Aggravated Theft, a felony of the second degree, in violation of R.C. 2913.02(A)(3) |
| One count | Conspiracy, a felony of the second degree, in violation of R.C. 2923.01 |
| 11 counts | Tampering with Records, a felony of the fourth degree, in violation of R.C. 2913.42 |
| One count | Tampering with Records, a felony of the fifth degree, in violation of R.C. 2913.42 |

On August 19, 2024, Judge Gormley sentenced Mr. Bell to three years in prison, ordered restitution of \$583,697.44, and fined him \$10,000.00.

Peter Fingerhut

On September 18, 2023, Mr. Fingerhut was indicted by the Delaware County grand jury on 63 counts, including one count of Engaging in a Pattern of Corrupt Activity, two counts of Aggravated Theft, one count of Conspiracy, two counts of Bribery, two counts of Extortion, seven counts of Money Laundering, 39 counts of Tampering with Records, eight counts of Telecommunications Fraud, and one count of Falsification.

On July 2, 2024, Mr. Fingerhut entered a negotiated plea of guilty to 17 counts, as outlined below:

| | |
|-------------|--|
| One count | Aggravated Theft, a felony of the second degree, in violation of R.C. 2913.02(A)(3) |
| One count | Conspiracy, a felony of the second degree, in violation of R.C. 2923.01 |
| One count | Tampering with Records, a felony of the third degree, in violation of R.C. 2913.42 |
| Nine counts | Tampering with Records, a felony of the fourth degree, in violation of R.C. 2913.42 |
| One count | Tampering with Records, a felony of the fifth degree, in violation of R.C. 2913.42 |
| Two counts | Telecommunications Fraud, a felony of the fourth degree, in violation of R.C. 2913.05(A) |
| One count | Telecommunications Fraud, a felony of the fifth degree, in violation of R.C. 2913.05(A) |
| One count | Falsification, a misdemeanor of the first degree, in violation of R.C. 2921.13 |

On October 28, 2024, Judge Gormley sentenced Mr. Fingerhut to five years in prison, ordered restitution of \$639,297.33, and fined him \$10,000.00.

Tracy Murnane

On July 8, 2024, Mr. Murnane entered a negotiated plea of guilty to a Bill of Information on eight counts, as outlined below:

| | |
|------------|---|
| One count | Grand Theft, a felony of the fourth degree, in violation of R.C. 2913.02(A)(3) |
| One count | Complicity in the Commission of an Offense, a felony of the fourth degree, in violation of R.C. 2923.03(A)(2) |
| Two counts | Forgery, a felony of the fourth degree, in violation of R.C. 2913.31(A)(2) |
| One count | Telecommunications Fraud, a felony of the fifth degree, in violation of R.C. 2913.05(A) |
| One count | Filing Incomplete False and Fraudulent Returns, a felony of the fifth degree, in violation of R.C. 5747.19 |
| Two counts | Certificate of Title, an unclassified misdemeanor, in violation of R.C. 4505.03 |

On September 23, 2024, Judge Gormley sentenced Mr. Murnane to 60 days in jail, three years community control, 40 hours of community service, ordered restitution of \$90,000.00 (which he fully repaid), and fined him \$5,000.00.

Grant Bell

On July 29, 2024, Mr. G. Bell entered a plea of guilty to a Bill of Information on one count of Theft, a felony of the fifth degree, in violation of R.C. 2913.02(A)(2).

On September 9, 2024, Judge Gormley sentenced Mr. G. Bell to two years community control, 40 hours of community service, ordered restitution of \$8,554.61 (which he fully repaid), and fined him \$1,000.00.

Background

The investigation began in March 2021, after SIU reviewed a March 5, 2021, news article describing the misuse of Zoo funds and resources by various Zoo executives. Subsequently, SIU also reviewed the findings from several independent third-party investigative/forensic reports; however, none of the results were relied upon in SIU's investigation. It was alleged former Zoo executives abused Zoo funds, including but not limited to music and sporting event tickets purchased for personal use, permitting family members to reside in Zoo-owned homes at below-market value rent, and personal use of a Zoo-owned RV. Mr. Fingerhut had been laid off from his position at the Zoo on April 27, 2020, while Mr. Stalf and Mr. Bell resigned on March 26, 2021. Mr. Murnane resigned on May 31, 2021, while Mr. G. Bell's last day of employment with the Zoo was January 31, 2023³.

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

Scope and Approach

This Fraud Examination Report is restricted to the work performed and results produced by the AOS. We defined our audit period as covering January 1, 2011, through May 31, 2021, (the Period) based on the risk factors identified.

The specific objectives we tested to establish whether fraud was committed at the Zoo were as follows:

- Determine whether certain non-payroll credit card disbursements made by the Zoo from January 1, 2015, through May 31, 2021, were supported and were made for purposes related to the operations of the Zoo.
- Determine whether non-payroll disbursements made on the Zoo's IMS and ITEX barter accounts during the Period were supported and were made for purposes related to the operations of the Zoo.
- Determine whether promotional disbursements made by the Zoo during the Period were supported and were made for purposes related to the operations of the Zoo.
- Determine whether memberships obtained, and disbursements made by the Zoo during the Period to Kinsale Country Club (Kinsale) and Wedgewood Golf Club (Wedgewood) were supported and were made for purposes related to the operations of the Zoo.
- Determine whether the purchase and sale of vehicles used by Zoo executives during the Period were supported and were made for purposes related to the operations of the Zoo.
- Determine whether the total disbursements made by the Zoo to Uptown Signs during the Period were supported and were made for purposes related to the operations of the Zoo.

The objectives and procedures are described more fully in the attached Supplement to the Fraud Examination Report for the Period.

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

Findings

Based on the special audit procedures and investigation, the AOS confirmed the allegations that the Zoo executives and Mr. G. Bell misappropriated Zoo assets and expenditures over a span of 10 years.

Mr. Stalf was hired by the Zoo as Chief Operating Officer in 2010 before becoming interim CEO in 2012 and permanent CEO in 2013. Mr. Bell was hired in 1991 as the Controller and held various financial titles until his last promotion from Senior Vice-President/CFO to Executive Vice-President/CFO in 2015. Mr. Fingerhut was hired by the Zoo as Director of Marketing in 2006. Mr. Murnane began as the Zoo Purchasing

³ As a Purchasing Department employee, Mr. G. Bell was responsible for processing purchase orders, placing product orders, booking travel for other employees, and restocking the Zoo warehouse. The SSA group took over the Zoo's food and beverage operations on February 1, 2023. Mr. G. Bell transitioned from a Zoo Purchasing Department employee to a SSA contract employee, working at the Zoo until June 7, 2024.

Manager in 1992 before being promoted to Director of Purchasing in 2011. Finally, Mr. G. Bell was initially hired in 2007 at Safari Golf Course (the public golf course owned by the Zoo) before becoming a full-time employee in the Zoo's purchasing department in 2012. SIU's investigation and special audit uncovered over \$2.3 million misappropriated in Zoo funds through multiple schemes, as well as the suspects conspiring with one another to conceal transactions from other financial department staff, including altering item descriptions on invoices and including fake purpose explanations on Zoo credit card documentation. The suspects also hid multi-year contracts for suites and tickets to sporting events and concerts from the Zoo's Philanthropy Department, the employees responsible for cultivating, hosting and entertaining potential donors and sponsors. These schemes occurred as a result of collusion among the Zoo executives, which allowed them to circumvent policies, procedures and internal controls. There was also a lack of monitoring these policies, procedures and controls by the Board of Directors (Board).

Our report includes management recommendations regarding maintaining supporting documentation, segregation of duties, control environment, internal controls, personal purchases, oversight by those charged with governance, conflict of interest, tax and W-2 reporting, and levy funds. The full details of the management recommendations are located in the Appendix.

On April 18, 2025, we held an exit conference with the following individuals representing the Zoo:

Tom Schmid, President & CEO
Angel Mumma, Senior VP Finance
Teresa McIntyre, VP Legal Affairs
Brent Jackson, Zoo Board Treasurer
Pam Hykes O'Grady, Zoo Board Member

Ken Paul, Zoo Board Member
E.J. Wunsch, Zoo Board Member
Michael Brown, Zoo Board Member
Fred Pressley, Outside Zoo Counsel
Scott North, Outside Zoo Counsel

The attendees were informed they had five business days to respond to this fraud examination report. A response was received on April 28, 2025. A response was provided by Tom Schmid, President & CEO and Dan Gusty, Chair of the Board and was evaluated in the final preparation of this report.



Keith Faber
Auditor of State
Columbus, Ohio

April 7, 2025

**SUPPLEMENT TO THE FRAUD
EXAMINATION REPORT**



SUPPLEMENT TO THE FRAUD EXAMINATION REPORT

Objective 1 – Determine whether certain non-payroll credit card disbursements made by the Zoo from January 1, 2015 through May 31, 2021 were supported and were made for purposes related to the operations of the Zoo.

PROCEDURES

We examined available documentation for certain credit card disbursements made by the Zoo to determine whether these payments were supported and were made for purposes related to the operations of the Zoo.

RESULTS

The Zoo issued credit cards to numerous Zoo employees, including multiple cards for different accounts to the Zoo executives. After a 2018 special audit⁴ for Zoo issued credit cards, the Zoo instituted a Corporate Credit Card Program Cardholder Agreement (Agreement). The Agreement, required to be signed by all Zoo credit card holders, stated the credit cards were only to be used for approved business purposes, any personal expenses on the credit card were to be reimbursed, and detailed receipts were required to be submitted within 48 hours of the purchase. The Zoo executives all signed the Agreement. Zoo employees were required to submit their receipts along with a completed and approved Credit Card Usage Form (Form), that included listings of each purchase.

Zoo credit card statements were received by Accounts Payable staff, who were responsible for matching submitted receipts/approved purchase orders to the individual charges on the monthly statements and writing the Zoo internal billing code next to each purchase. Reviewed credit card statements were then provided to the Zoo's Finance Managers to ensure the Accounts Payable staff completed this process and to follow up with Zoo employees who did not turn in all of their receipts. However, regardless of missing documentation, the Zoo paid the credit card bill in full and on time and did not make substantial attempts to obtain the remaining missing receipts. We examined the Zoo's bank account statements and monthly credit card statements in order to trace each monthly credit card balance to a Zoo payment. The Zoo's monthly credit card balances were paid either by a Zoo check or Zoo online payment.

Contrary to normal procedure and at the behest of Mr. Stalf, Mr. Bell was responsible for reviewing Mr. Stalf's credit card charges while the Zoo Controller was responsible for reviewing specific credit card accounts for Mr. Stalf and Mr. Bell.

We obtained the Zoo's credit card supporting documentation, including but not limited to the Forms, invoices, receipts, and purchase orders, to determine if the purchase was authorized and for the operations of the Zoo. A purchase was considered authorized if the associated Form that listed the purchase was signed by an appropriate Zoo supervisor. We also obtained all Zoo email correspondence of the Zoo executives. The emails were reviewed to help provide further context to the intended purpose of the credit card purchases.

Of the 1,506 credit card transactions selected for testing, only 495 were recorded on a Form. While each Form had a place for both the credit card holder and approver to sign, we noted variations in how the Forms were completed and approved, as well as others that were not approved. We noted the following:

- Two hundred forty-four transactions were recorded on Forms and approved.
- Seventy-nine transactions were recorded on Forms; however, while the cardholder simply signed the Form, the approver was the one who filled out the purchases on the Form and also signed the Form as approver.
- Twenty-two transactions were recorded on Forms but the cardholder signed as approver.

⁴ A Zoo Board member received an anonymous allegation of inappropriate and excessive spending at Wedgewood and other country clubs by Zoo executives. Zoo Board members requested the Zoo's financial auditors complete additional procedures examining credit card expenditures made by Zoo employees who were at the director level, which resulted in three findings and five recommendations.

SUPPLEMENT TO THE FRAUD EXAMINATION REPORT

- Fifty-two transactions were recorded on revised Forms which only included a cardholder signature line and not an approval signature line.
- Ninety-eight transactions were recorded on Forms that were not approved.
- Six hundred eight receipts/invoices were provided for the 1,506 transactions selected for testing.

One hundred ninety-six transactions totaling \$37,882.81 were deemed as personal purchases. Of this total, \$15,686.99 is attributed to Mr. Stalf, \$11,878.60 to Mr. Bell, \$8,433.31 to Mr. Fingerhut, and \$1,883.91 to Mr. G. Bell. (Note: Two hundred fifty-one transactions totaling \$457,055.89 were deemed as Promotional Support and not included in personal purchase amounts here. Testing and conclusions for these transactions are documented in Objective 3.)

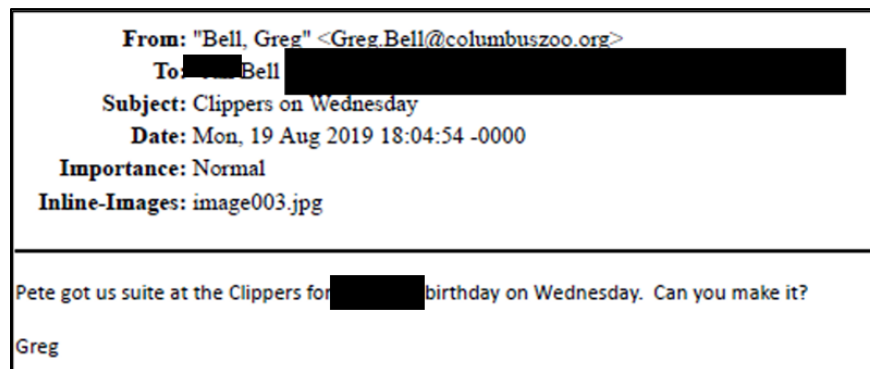
The following are notable for the credit card transactions determined to be personal purchases:

Mr. Stalf:

- \$1,603.86 for Phantom of the Opera tickets. The purpose reported on the Form, as completed by Mr. Bell, was "Tickets for donors", even though the tickets were personally used by the Stalf family.
- \$2,255.00 and \$659.73 for Cincinnati Reds tickets and catering, respectively, for members of the Stalf family. The expenditure was not reported on a Form.
- \$602.40 paid to Cloverleaf Suites in Dublin, Ohio for hotel rooms for Mr. Stalf's brothers-in-law. The purpose reported on the Form, while not completed by Mr. Stalf, was "Hotel rooms per Tom Stalf."

Mr. Bell:

- \$493.00 and \$1,141.60 for One Direction and Buckeye Country Superfest tickets, respectively. Mr. Bell reported the purpose of the expenditures as "Tickets to Blue Jacket Game and Hockey All-Star Tickets for Board members and donors."
- \$756.30 for Kanye West tickets. The purpose reported on the Form by Mr. Bell was "Tickets for Donors – Porters." While the Porters were actual Zoo donors, no evidence was found to support these tickets went to the Porters for their use.
- \$412.23 paid to the Columbus Clippers for suite catering expenses. In an attempt to conceal the true purpose of the catering costs paid for by the Zoo, Mr. Bell claimed the food and drinks were for entertaining the Ohio Minority Supplier Development Council on the Form. The following emails illustrate what occurred:



SUPPLEMENT TO THE FRAUD EXAMINATION REPORT

From: "Bell, Greg" <Greg.Bell@columbuszoo.org>
To: "Fingerhut, Pete" <Pete.Fingerhut@columbuszoo.org>
Subject: For Tomorrow
Date: Tue, 20 Aug 2019 17:31:55 -0000
Importance: Normal
Inline-Images: image003.jpg

Pete,

For tomorrow at the Clippers game can the scoreboard have the following –

- Happy 9th Birthday [REDACTED] Bell
- Happy 58th Birthday [REDACTED] Bell

In addition, can Lou Seal or Krash visit the suite (#28) and maybe present [REDACTED] a ball and miniature bat.

Greg

Mr. Fingerhut:

- \$3,158.00 paid to Buckeye Boosters, Inc., a non-profit organization ran by a good friend of Mr. Fingerhut and former Sports and Special Projects Manager at WBNS 10TV (WBNS). The organization offers travel packages (for purchase) to its members for The Ohio State University (OSU) football and basketball away games. This purchase was for a package for the OSU vs. Oklahoma football game in Norman, Oklahoma, including roundtrip airfare, hotel, and breakfasts.

After Mr. and Mrs. Fingerhut decided to go on the trip, Mr. Fingerhut completed the trip registration form, indicating his Zoo issued credit card would be used for payment. He also completed the Form for this credit card purchase but listed the purpose as "Ad – OSU". Mr. Fingerhut created an invoice with the same logo/letterhead and payment information from the trip registration form, but the purchase description does not include the trip details. When asked about this in his second proffer session, Mr. Fingerhut admitted to falsifying the Form, stating, "It was an easy thing to do."

| Buckeye Boosters | |
|--|--|
| Let's Go Bucks To Oklahoma! | |
| Name: <u>Peter A Fingerhut</u> | |
| Address: [REDACTED] | |
| Flight Packages: <input type="checkbox"/> SGL \$1869 <input checked="" type="checkbox"/> DBL \$1579 <input type="checkbox"/> TRI \$1489 <input type="checkbox"/> QUAD \$1439 Total \$ <u>3158⁰⁰</u> | |
| Land Packages: <input type="checkbox"/> SGL \$1189 <input type="checkbox"/> DBL \$909 <input type="checkbox"/> TRI \$809 <input type="checkbox"/> QUAD \$769 Total \$ _____ | |
| Requested Room Type: <input type="checkbox"/> Double Beds <input checked="" type="checkbox"/> King Bed | |
| Names as they appear on ID: <u>Peter Albert Fingerhut</u> Date of Birth [REDACTED] | |
| (Flight Package only) <u>M Fingerhut</u> Date of Birth [REDACTED] | |
| Date of Birth _____ | |
| Date of Birth _____ | |
| Check or Credit Card- M/C, Visa, Disc [REDACTED] | |
| I agree to allow Buckeye Boosters to charge the above card. Signature: <u>[Signature]</u> | |
| Credit card billing address, if different from above: <u>9790 Riverside Dr. Danville, OH 43065</u> | |
| Name(s) for name tag, if needed. (same design as '15): <u>Pete Fingerhut</u> [REDACTED] <u>Fingerhut</u> | |

| Buckeye Boosters | |
|---|--|
| Buckeye Boosters, Inc. 921 Chatham Lane Suite 301-F Columbus, Ohio 43221 | |
| To | Pete Fingerhut Columbus Zoo PO Box 400 Powell, OH 43065 |
| Description | Total |
| Promotional Support / Advertising | \$3,158 |
| | \$3,158 |
| Check or Credit Card- M/C, Visa, Disc [REDACTED] | |
| I agree to allow Buckeye Boosters to charge the above card. Signature: <u>[Signature]</u> | |
| Thank You | |

SUPPLEMENT TO THE FRAUD EXAMINATION REPORT

COLUMBUS ZOOLOGICAL PARK
Credit Card Usage Form

Last 4 digits of Credit Card used: [REDACTED]

☐ [REDACTED] ☒ [REDACTED] ☐ [REDACTED]

Please fill in the date, vendor name, purpose of purchase, account number to apply charge to and the total of each purchase.

Name: Peter A. Ringelb-D
(Print Name)

| Date | Vendor | Purpose | Acct Number | Total |
|------|------------------|---------------|-------------|---------|
| 7-14 | McDonald's | Marble Staff | 1-81121-020 | 31.33 |
| 7-16 | AVI Productions | July Staff | 1-81121-020 | 1029.10 |
| 7-16 | Walt Disney | July Staff | 1-81121-020 | 279.70 |
| 7-19 | Shelton's | July Staff | 1-81121-020 | 27.87 |
| 7-22 | Older's | July Staff | 1-81121-020 | 171.57 |
| 7-22 | Suburban Village | Marathon Dill | 1-81121-020 | 309.61 |
| 7-22 | Suburban Village | AG OSU | 1-81121-020 | 3158.00 |
| 7-23 | AVI Productions | July Staff | 1-81121-020 | 919.00 |

Mr. G. Bell

- \$1,214.05 paid to Great Wolf Lodge for a family vacation. The expenditures were not reported on a Form. The email (below) from Mr. G. Bell to Mr. Bell depicts the manner in which Mr. G. Bell stated his wishes for personal trips that were paid for with Zoo funds.

From: "Bell, Grant" <Grant.Bell@columbuszoo.org>
To: "Bell, Greg" <Greg.Bell@columbuszoo.org>
Subject: July Stuff
Date: Tue, 25 Jun 2019 20:36:23 +0000
Importance: Normal

Hello!

Please remember Dude Perfect on July 26th [REDACTED] really wants to go. Also you mentioned you or someone has a contact for Great Wolf lodge near Cincinnati. We would like to stay July 19th and 20th if possible or if you can get a certificate we can book it. Also we would like to go to the Reds game on the 19th of that trip. Lastly can you get us dates for the Wilds probably the new cabins. Possibly up to two cabins for two nights with Zip lines, horseback, and a tour.

Thank you!
Grant

As a result of the personal credit card charges, we obtained and reviewed the Zoo's Cash Receipt Logs for the Zoo executives to identify any personal reimbursements made to the Zoo for Zoo credit card transactions which were included in our audit scope and identified as a personal expenditure. Four credit card transactions were reimbursed by Mr. Stalf for various purchases.

- Three charges totaling \$2,978.67 for plane tickets for Mr. Stalf's three minor children were reimbursed by Mr. Stalf; however, the charges occurred in August 2017 and Mr. Stalf did not submit reimbursement until December 28, 2018, which was after the 2018 special audit. These three charges were identified as personal purchases and included in the overall loss amount against Mr. Stalf; however, the amounts were removed when calculating Mr. Stalf's actual restitution amount.
- One charge related to a personal purchase on Amazon for \$17.65 reimbursed to the Zoo within the same week. While we identified this a personal purchase, we did not include the \$17.65 in the total amount of personal purchases against Mr. Stalf.

SUPPLEMENT TO THE FRAUD EXAMINATION REPORT

Objective 2 – Determine whether non-payroll disbursements made on the Zoo's IMS and ITEX barter accounts during the Period were supported and were made for purposes related to the operations of the Zoo.

PROCEDURES

We examined available documentation for barter account disbursements made on the Zoo's IMS and ITEX barter accounts to determine whether these payments were supported and were made for purposes related to the operations of the Zoo.

RESULTS

The Zoo and the Safari Golf Course participated as members in both the IMS and ITEX barter systems. The purpose of the systems is to allow participating members to "sell" their product on the barter network in exchange for barter "dollars" so the member may purchase products and services needed by their business. Specifically for the Zoo, the products being bartered were admission tickets to the Zoo and rounds of golf at Safari Golf Course.

Mr. Bell was responsible for overseeing the Zoo's barter accounts, including reviewing and approving purchases. Mr. Bell, along with Mr. Stalf and Mr. Murnane, were the only Zoo employees authorized to make purchases on the barter accounts. Even though the Zoo utilized the barter accounts for decades, SIU found very few Board members had knowledge of the Zoo participating in the systems.

Based on Mr. Murnane's proffer, examples of allowable Zoo purchases on the barter network include office supplies and other items the Zoo would use on a daily basis. The Zoo also purchased items on the barter network for raffle prizes for the Zoo's annual Employee Recognition Dinner, Ohio Wildlife Center's fundraisers, United Way's fundraisers, and the Zoo's annual car show.

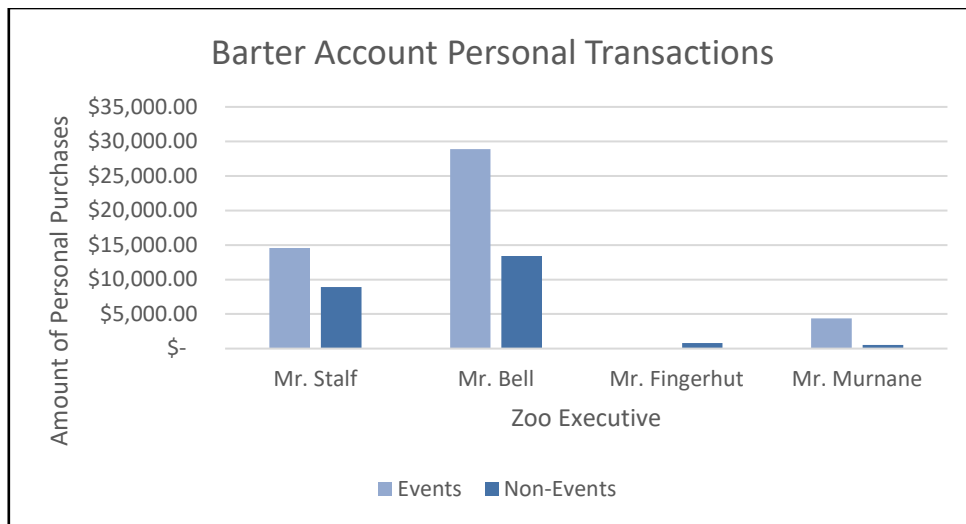
Both IMS and ITEX charged related cash fees for the purchase of items, which the Zoo was responsible for paying.

The Zoo does not maintain receipts, invoices, or supporting documentation for the purchases on the barter network. Therefore, we relied on Zoo email correspondence for context on the intended purpose of the purchase or who the purchase was intended for to determine if the purchase was for the operations of the Zoo. We also subpoenaed the monthly IMS and ITEX account statements for the Period.

We tested 640 barter account transactions totaling \$796,975.05 and noted the following personal purchases:

- Thirty-one transactions related to events totaling \$47,848.35.
- Thirty-seven transactions related to non-events totaling \$23,618.95.

SUPPLEMENT TO THE FRAUD EXAMINATION REPORT



The following are notable barter account transactions determined to be personal purchases:

Mr. Stalf

- \$1,166.00 for Les Misérables tickets for Mr. Stalf's wife, as described in the below email.

-----Original Message-----
 From: Stalf, Tom
 Sent: Monday, May 06, 2013 7:43 AM
 To: Fingerhut, Pete
 Subject: FW: Les Miserables at Ohio

Can you get these for [REDACTED]? I would greatly appreciate it.

Tom Stalf
 President & CEO
 Columbus Zoo and Aquarium
 The Wilds
 Zoombezi Bay
 Safari Golf Course

-----Original Message-----
 From: [REDACTED] Stalf
 Sent: Monday, May 06, 2013 7:32 AM
 To: Stalf, Tom
 Subject: Les Miserables at Ohio

I would like 4 tickets to see Les Miserables on May 19th at the Ohio theater for either the matinee or later show. Can you try and get tickets? I would like to take my mom, [REDACTED]

Thanks,
 [REDACTED]

- \$9,964.00 for tickets to the 2016 World Series. Mr. Stalf forwarded the tickets to his father-in-law and brother-in-law, although he told IMS they were for employees, as described in the below email.

From: "Stalf, Tom" <O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP
To: "[REDACTED]" <[REDACTED]@imsbarter.com>
Cc: "[REDACTED]" <[REDACTED]@imsbarter.com>
Subject: Re: World Series Game 6 Tickets
Date: Wed, 02 Nov 2016 03:08:15 -0000
Importance: Normal

I did not. Some employees are enjoying the game

Tom Stalf, Lead and inspire by connecting people and wildlife.
 Columbus Zoo and the Wilds

On Nov 1, 2016, at 10:47 PM, [REDACTED] <[REDACTED]@imsbarter.com> wrote:

Did you personally go? How was it?

Sent from [REDACTED] iPhone

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- \$3,195.00 for Hamilton tickets. In the emails depicted below, Mr. Stalf asked Mr. Bell if he could obtain tickets to the show as a Zoo Board member asked Mr. Stalf for the tickets, though the tickets were actually for Mr. and Mrs. Stalf.

From: Stalf, Tom
Sent: Thursday, January 24, 2019 11:05 AM
To: Bell, Greg
Subject: FW: HAMILTON TICKETS on IMS!

Someone asked me for tickets for this show. It was a board member but I can't remember who. I will find out and see what day is available. Can you get them?

Tom Stalf
President & CEO
Columbus Zoo and Aquarium
The Wilds
Zoombezi Bay
Safari Golf Course

From: [REDACTED] Stalf [REDACTED]
To: "Stalf, Tom" <Tom.Stalf@columbuszoo.org>
Subject: Re: [REDACTED] sent you tickets
Date: Thu, 24 Jan 2019 13:54:53 -0500
Importance: Normal

Please accept tickets and print them out in your office

- Two transactions totaling \$2,775.00 for two condos in Florida for the Stalf family to use during spring break in 2014. The first condo reserved was in Naples, Florida; however, three months later Mr. Stalf booked a second condo on Marco Island, Florida, as confirmed through the email with IMS below.

From: "Stalf, Tom" </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP
To: "[REDACTED]" <[REDACTED]@imsbarter.com>
Subject: RE: IMS Barter All Areas - Last Minute Reservation - Marco Island - Florida - This Weekend!
Date: Thu, 27 Mar 2014 19:00:14 -0000
Importance: Normal

[REDACTED]

Can you check on this availability? We have committed to Naples and plan to stay in a house inland and having beach access for little trade would be nice as well.

Thanks

Tom

- Two transactions totaling \$2,629.00 for four watches. Mr. Stalf paid the shipping and handling with his own money and had the watches shipped to his house.
- Two transactions totaling \$1,176.36 for limo shuttle services for Mr. Stalf's child to attend the 2018 Buckeye Valley High School prom.

Mr. Murnane

- \$503.74 for a limo bus shuttle service for Mr. Murnane's son's wedding.

SUPPLEMENT TO THE FRAUD EXAMINATION REPORT

Mr. Bell

- \$530.00 for Columbus Blue Jackets (CBJ) tickets. Mr. Bell forwarded the tickets to his sister-in-law to attend the game.
- \$296.80 for Cincinnati Reds tickets and \$745.50 for OSU football tickets. For both purchases, Mr. Bell forwarded the tickets to his brother.
- \$530.00 for an antique safe for Mr. Bell's son (not Mr. G. Bell), as described below.

From: Bell, Greg [<mailto:Greg.Bell@columbuszoo.org>]
Sent: Tuesday, October 11, 2016 1:37 PM
To: [REDACTED] Bell [REDACTED]
Subject: FW: Antique Safe on IMS- Price Reduced

I got [REDACTED] this 100 year old safe (see below). Not sure how I will get it home but I will work on it.

Greg

- \$852.00 for Jay-Z tickets that were requested by Mr. Bell's daughter, per the below email.

From: [REDACTED] bell@[REDACTED]
To: <greg.bell@columbuszoo.org>
Subject: [REDACTED]
Date: Tue, 31 Jul 2018 16:44:37 -0400
Importance: Normal

[REDACTED] asked that I remind you about Beyonce and Jay Z, and Breakaway, and county concert at Legend Valley. She also you may want to check with [REDACTED] because he might be interested in any of these.

Mr. Fingerhut

- \$532.13 for a limo for Mr. Fingerhut's wife's 40th birthday party "bar hop," as further described in the below email.

From: "Fingerhut, Pete" </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE
To: "[REDACTED]" <[REDACTED]@itex.net>
Cc: "Bell, Greg" <Greg.Bell@columbuszoo.org>
Subject: RE: Limo
Date: Mon, 24 Oct 2016 19:03:04 -0000
Importance: Normal

Thanks [REDACTED] I am the VP of Marketing and Sales for the Columbus Zoo and Aquarium. I would need a limo that can hold the most people (so let me know what that would be and I will stick to that. The date would be Saturday, November 5th from 7pm to 1am (six hours) they would pick up and drop off at my house [REDACTED]. It is my wife's 40th birthday and I wanted to take her out with several of her friends. We would be going to about 4 to 5 bars downtown. Thank you and I can certainly understand dealing directly with Greg to make sure it is legit. Pete

SUPPLEMENT TO THE FRAUD EXAMINATION REPORT

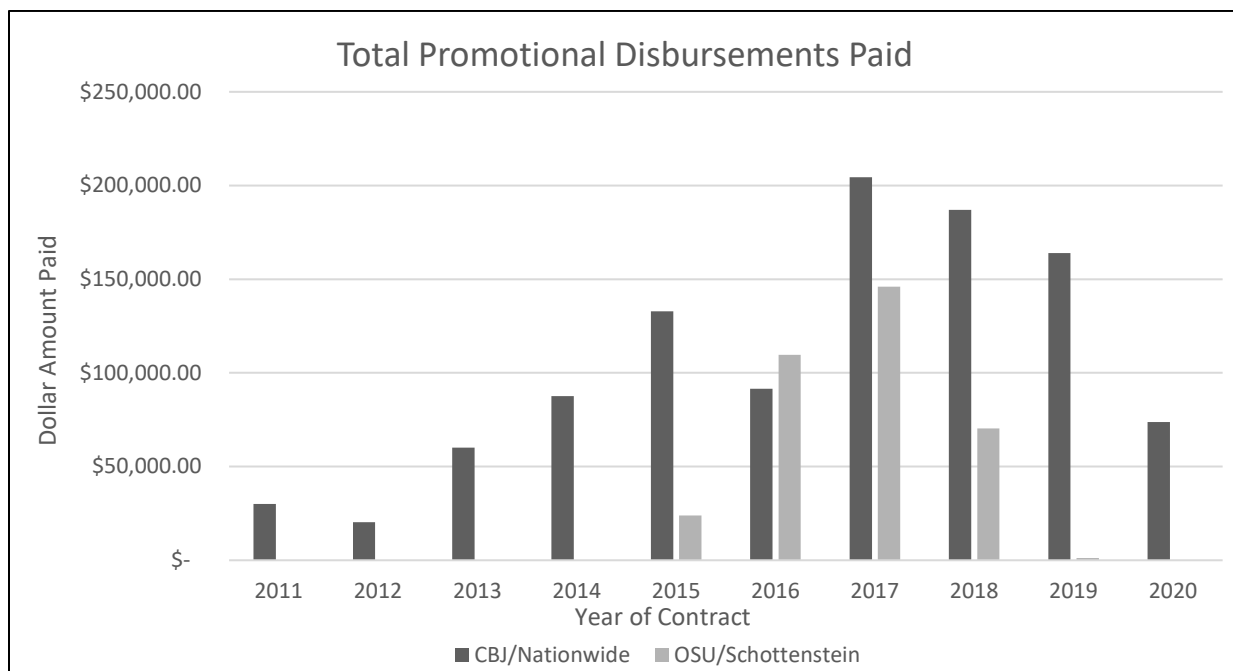
Objective 3 – Determine whether promotional disbursements made by the Zoo during the Period were supported and were made for purposes related to the operations of the Zoo.

PROCEDURES

We examined available documentation for promotional disbursements made by the Zoo to determine whether these payments were supported and were made for purposes related to the operations of the Zoo.

RESULTS

The Zoo had signed agreements with both the CBJ and OSU, though neither of them involved promoting or advertising the Zoo at the facilities (Nationwide Arena, Schottenstein Center, or Ohio Stadium). In total, the Zoo paid \$1,402,806.88 related to CBJ and OSU personal expenditures, as shown in the following graph, with further details below.



We determined numerous CBJ and OSU disbursements were not only for the Zoo's related agreements but were also for additional game and event tickets as well as catering costs at each facility. Furthermore, the Zoo executives claimed the tickets were used by Zoo Board members and donors; however, we found very little evidence to support this claim. Also, the Zoo's own Philanthropy Department was not aware the Zoo had these ticket packages, and they were not offered the tickets to entertain potential donors. As a result, we reviewed all Zoo credit card and check payments to the CBJ, Nationwide Arena, OSU (only those expenditures related to tickets and catering), Schottenstein Center, and Ohio Stadium.

Since we determined the Columbus Clippers did provide various advertising for the Zoo, we only reviewed the six transactions payable to the Franklin County Stadium, Inc. and Columbus Baseball Team, Inc outside the advertising costs.

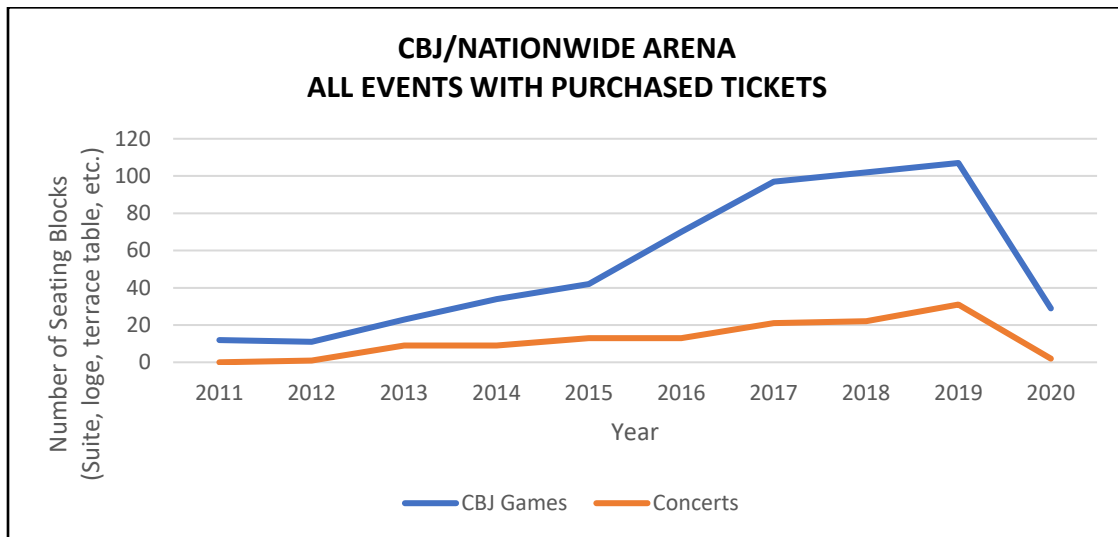
CBJ / Nationwide Arena

The Zoo, specifically Mr. Stalf and Mr. Fingerhut, signed numerous agreements with the CBJ for the 2011-2020 seasons. The agreements allowed the Zoo to pay for season tickets and concert tickets varying in the executive suites, loge seats, terrace tables, and glass seats, as well as food, drinks, and parking passes.

SUPPLEMENT TO THE FRAUD EXAMINATION REPORT

Catering orders could be placed when using the suites, but these were additional costs outside the agreement parameters. According to the Zoo's signing limits, Mr. Fingerhut was only authorized to sign up to \$10,000.00; however, he signed multiple CBJ agreements which totaled more than his authorized limit.

While Forms submitted by the Zoo executives claimed the various suites and catering costs were for donors and Zoo Board members, evidence found supported the suites and catering were used personally by the Zoo executives. Therefore, the total of the various contracts, additional games and event tickets, and associated catering costs totaling \$1,051,523.89 were not made for purposes related to the operations of the Zoo. The number of seating blocks for games/concerts attended by the Zoo executives are illustrated in the below graph.



The initial CBJ contract in 2011 included just six games in a suite for \$15,000.00 which eventually morphed into, at its height, a \$176,109.00 per season contract that included not only suites, but also a full season in a loge, access to the exclusive Lexus Lounge, a full season of four seats located directly behind the glass, and a substantial "flex bank" of funds to be used for concerts held at Nationwide Arena. A photo of Mr. and Mrs. Fingerhut sitting in the glass seats for a CBJ game was located during the investigation.

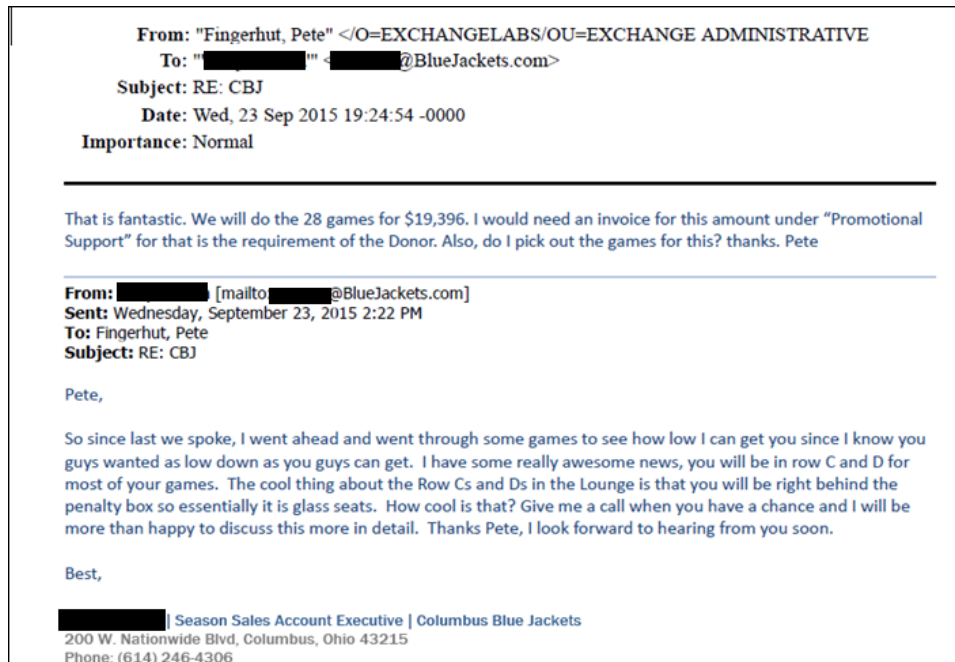
The investigation also revealed numerous other acts of concealment concerning the suites and loges. Suite and loge owners in Nationwide Arena have their business names clearly depicted on signage, yet Mr. Fingerhut specifically requested the Zoo's name not be posted. In the email below, he instructs the CBJ staff as such.

From: Fingerhut, Pete [mailto:Pete.Fingerhut@columbuszoo.org]
Sent: Wednesday, September 20, 2017 3:46 PM
To: [REDACTED] <[REDACTED]@BlueJackets.com>
Subject: Loge Seats

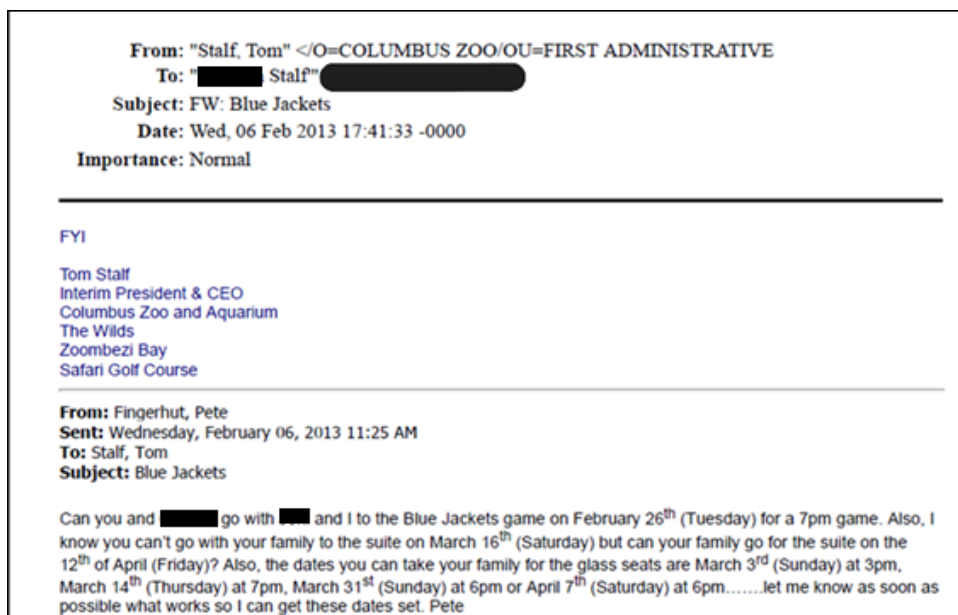
[REDACTED], thanks again for putting the tickets together for us and everything was there 😊. One little picky thing though, please take off the "Columbus Zoo" on the glass at the loge seats. If you remember we never want our name on items like this for some people will not understand why we have a loge box so PLEASE take that off as soon as possible. Just leave it to say "private" like the one we had before. thanks. I don't want my CEO to see that when he is there. Pete

Efforts were also made to conceal what was purchased from the Zoo's Finance Department. Mr. Fingerhut instructed the CBJ personnel what to list on the ticket package invoices and on one occasion (see below) even falsely stated a donor would be paying for the tickets. In Mr. Fingerhut's July 19, 2024 proffer, he confirmed no promotional support or Zoo advertising ever occurred at either Nationwide Arena or the Schottenstein Center.

SUPPLEMENT TO THE FRAUD EXAMINATION REPORT

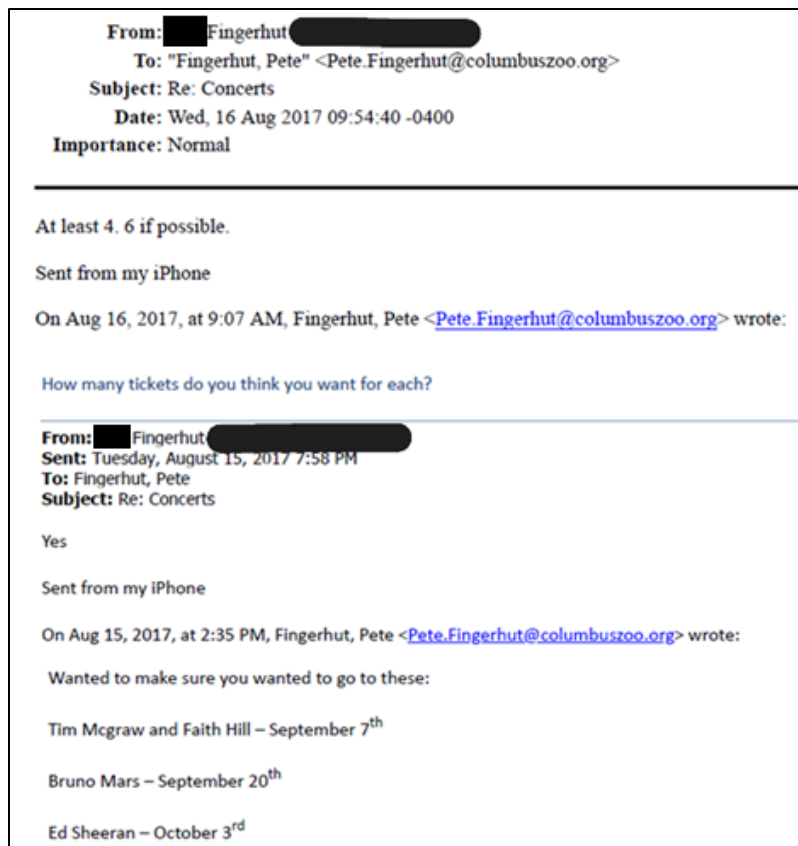


Mr. Fingerhut also attempted to maintain control of the tickets and their usage, organizing which games and concerts the Zoo executives, their families, and their friends would attend. In the below example, Mr. Fingerhut offers CBJ home games to Mr. Stalf and his family. There is no mention of any donor attendance.

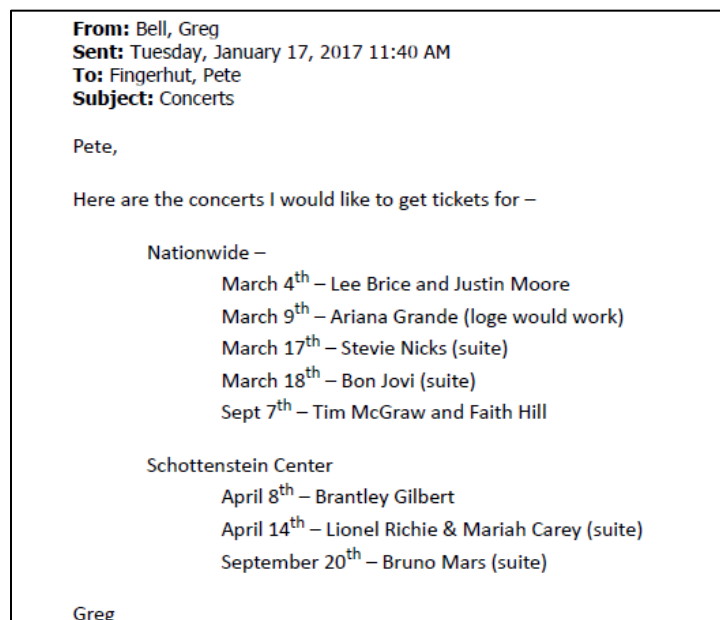


This behavior was not limited to CBJ games and carried over into concert attendance in the suite, where Zoo funds were also used for the Zoo executives' food and alcohol catering tabs. In the email below, Mr. Fingerhut confirms the concerts his wife wishes to attend. The investigation found numerous instances where Mrs. Fingerhut brought her friends, and all expenses were paid with Zoo funds.

SUPPLEMENT TO THE FRAUD EXAMINATION REPORT



In the below email, Mr. Bell sends his concert wish list to Mr. Fingerhut. Again, there is no mention of donor attendance.



This behavior continued with other special events held at Nationwide Arena, including the 2015 NCAA men's basketball finals. In the below email, Mr. Fingerhut and Mr. Bell discuss obtaining a suite for this event as a way to use their Nationwide spending allotment but with no mention of entertaining Zoo donors.

SUPPLEMENT TO THE FRAUD EXAMINATION REPORT

| |
|---|
| From: "Fingerhut, Pete" </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE To: "Bell, Greg" <Greg.Bell@columbuszoo.org> Subject: RE: Final Reminder for Your 2015 NCAA Men's Basketball Championship Ticket Offer Date: Wed, 21 May 2014 12:20:54 -0000 Importance: Normal |
| That's true so we will party together at the Basketball championship |
| From: Bell, Greg Sent: Wednesday, May 21, 2014 8:13 AM To: Fingerhut, Pete Subject: RE: Final Reminder for Your 2015 NCAA Men's Basketball Championship Ticket Offer He will not be here next March. Greg |
| From: Fingerhut, Pete Sent: Wednesday, May 21, 2014 8:08 AM To: Bell, Greg Subject: RE: Final Reminder for Your 2015 NCAA Men's Basketball Championship Ticket Offer I'm getting them but Tom wants them all. |
| From: Bell, Greg Sent: Wednesday, May 21, 2014 7:14 AM To: Fingerhut, Pete Subject: FW: Final Reminder for Your 2015 NCAA Men's Basketball Championship Ticket Offer Pete, Hope you are getting a suite for this. It will help us spend our \$60,000 commitment. Greg |

OSU / Schottenstein Center / Ohio Stadium

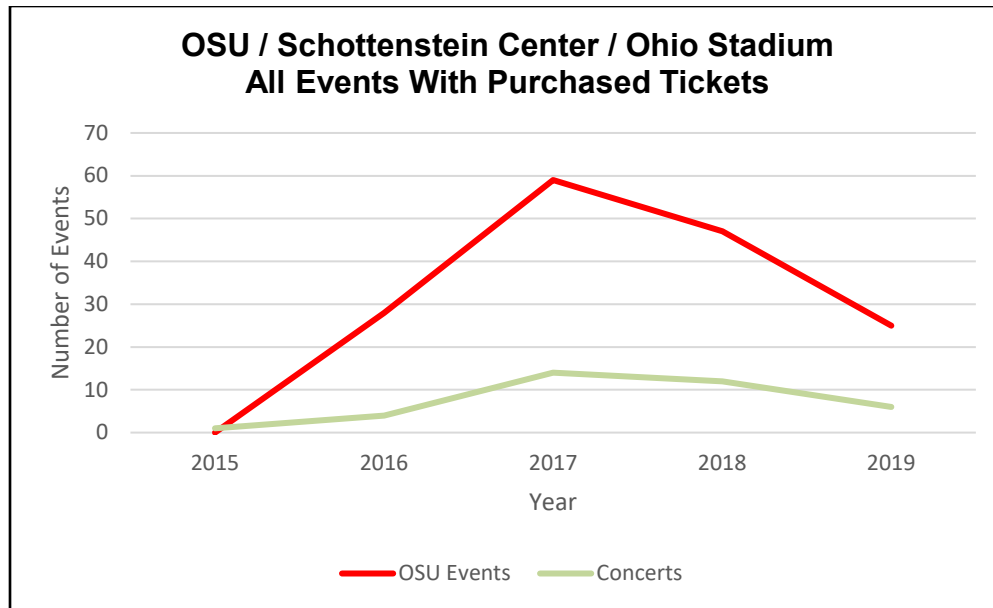
The Zoo engaged in a three-season contract, signed by Mr. Stalf on July 7, 2016, with OSU for the following items:

- Twelve tickets in a suite for the 2016-2017, 2017-2018, and 2018-2019 seasons at the Schottenstein Center.
- Suite includes all home games for men's basketball, women's basketball, and men's ice hockey.
- Up to eight additional "standing room only" tickets could be purchased separately for each game.
- Tickets to concerts and other special events held at the Schottenstein Center must be purchased separately.

The cost was \$72,500.00 per season, comprised of \$50,000.00 in cash and \$22,500.00 in trade, which could include Zoo tickets for OSU employees, etc. The total cost of all three seasons combined was \$150,000.00 in cash and \$67,500.00 in trade.

Similar to the CBJ, Forms were submitted by Zoo executives claiming the suite and catering costs were for donors and Zoo Board members, but the evidence indicated the suites and catering were used personally by the Zoo executives. In an email dated March 25, 2016 from Mr. Fingerhut to Mr. Stalf after receiving a luxury suite proposal from OSU, Mr. Fingerhut stated, "Tom, get Greg [Bell] to do this.....so we will always have a suite when we want it." Therefore, the total of the three-year suite agreement, additional game and event tickets, and associated catering costs totaling \$351,282.99 were not made for purposes related to the operations of the Zoo. The breakdown between concerts and OSU games is illustrated below.

SUPPLEMENT TO THE FRAUD EXAMINATION REPORT



SIU located an email exchange between a Philanthropy Department employee to the Zoo executives, specifically questioning if they had any information about why parking permits pertaining to suite 17 for an OSU hockey game were delivered to the Zoo. The Zoo executives responded in a manner to conceal the true reason, falsely stating a vendor extended an invite to them to the game. The email exchanges are as follows:

From: "Fingerhut, Pete" <Pete.Fingerhut@columbuszoo.org>
To: "Bell, Greg" <Greg.Bell@columbuszoo.org>
Subject: FW: Ohio State Hockey Parking Permits
Date: Tue, 19 Sep 2017 20:48:57 -0000
Importance: Normal
Inline-Images: image001.gif

Greg, go down and get those parking passes for they are for our suite but I don't want to go down and get them. Say they are for Tom.....thanks. Pete

From: [REDACTED]
Sent: Tuesday, September 19, 2017 4:25 PM
To: Stalf, Tom; Fingerhut, Pete; Bell, Greg; [REDACTED]; Murnane, Tracy
Subject: Ohio State Hockey Parking Permits

Gentlemen,

In Philanthropy's mailbox today were three packs of parking permits for OSU's game this Saturday vs. Ryerson. They are for Suite 17. The envelope was simply addressed Columbus Zoo and the return address is the ticket office.

They don't belong to Philanthropy. Were you expecting them? If not, any idea who might be?

Thanks!
[REDACTED]

SUPPLEMENT TO THE FRAUD EXAMINATION REPORT

From: "Bell, Greg" <Greg.Bell@columbuszoo.org>
To: [REDACTED] <[REDACTED]@columbuszoo.org>
Bcc: "Fingerhut, Pete" <Pete.Fingerhut@columbuszoo.org>
Subject: RE: Ohio State Hockey Parking Permits
Date: Tue, 19 Sep 2017 22:53:03 -0000
Importance: Normal
Inline-Images: image001.gif

[REDACTED]

Just read your email about the parking passes. There seems to be a mix up with these passes. I was supposed to receive one parking pass not a whole season. I went down to your desk and saw the package. I have taken the parking passes and will get them to the rightful owner – The Expediting Company (who invited me to the game). Not sure why I need a parking pass as there will only 500 people at the game but our contact insisted.

Sorry for the confusion.

Greg

The Zoo executives' behavior with suite usage at the Schottenstein Center mirrored that of Nationwide Arena. Numerous basketball games and concerts were attended by the Zoo executives, their friends, and their families. The children of Mr. Bell regularly expressed their "wish lists", as evidenced in the below emails from Mr. Bell's daughter and son.

From: [REDACTED] Bell [REDACTED]
To: greg.bell@columbuszoo.org, [REDACTED] bell@ [REDACTED]
Subject: Concerts
Date: Thu, 15 Feb 2018 22:16:02 -0500
Importance: Normal
Attachments: Concerts.docx

Here is a list of concerts I would like to go to if possible. I starred the most important. I know the jackets game and one of the concerts are on the same night so I'm still trying to figure out which one I would like, I'll love you know. Thanks

Nationwide Arena:

- March 15th- Blake Shelton
- April 5th- Blue Jackets vs. Penguins
- May 7th- Justin Timberlake

Schottenstein Center:

- *-March 14th- Demi Lovato & DJ Khaled
- April 5th- Brad Paisley
- *-May 3rd- Chris Young ft. KANE BROWN!!!!!!!!
- *-July 7th- Taylor Swift

Express LIVE:

- February 23rd- 92.3 WCOL 24th Birthday Bash ft. Gary Allan

Newport Music Hall:

- March 29th- Datsik

SUPPLEMENT TO THE FRAUD EXAMINATION REPORT

From: "Bell, Grant" <Grant.Bell@columbuszoo.org>
To: "Bell, Greg" <Greg.Bell@columbuszoo.org>
Subject: Fun Things!
Date: Wed, 4 Apr 2018 18:01:42 +0000
Importance: Normal

Can I pick up the Brad Paisley tickets today? Also I'm going to leave some other upcoming shows below that we would like. Also and the most important part I will leave the info for my driver below.

Adam Sandler – April 17th (Loge or 4 seats?)

Monster Jam – April 21st (Loge or 6 seats?)

Bull Riding Comp – April 28th (Loge or 4 seats?)

Kane Brown – May 3rd

Justin Timberlake – May 7th

Driver info – Taylormade M3 460 Left Handed 9.5 Loft with a Mitsubishi Tensei White 70 X-Stiff Shaft and a Tour Velvet TM Logo Grip

Thank you!!!!!!!

In addition to his family members attending numerous events paid with Zoo funds, Mr. Stalf also utilized the suite twice for his son's middle school basketball team. Not only was the suite paid for by the Zoo, but both catering bills as well, totaling \$704.07 and \$593.18, respectively. Each team member was provided with three suite tickets, as described in the below email.

Subject: RE: Change in practice plans.
Date: Wed, 23 Dec 2015 20:20:49 -0000
Importance: Normal


Merry Christmas everyone. I have suite tickets for the OSU basketball game at Schottenstein Center on Wednesday Dec 30th. The game is at 7 pm OSU vs Minnesota. Each player will have a total of 3 tickets. So your son and two tickets. Let me know if you can't make it. I will give you your tickets at our next game. You can reach me at [REDACTED] anytime. If you know someone on our team that does not read email please let them know right away.

Tom Stalf
President & CEO

Perhaps one of the most egregious examples of ticket fraud perpetuated by the Zoo executives involved Buckeye Country Superfest in 2017. This is a two-day country music festival hosted by OSU and held at Ohio Stadium. Mr. Fingerhut facilitated the purchase of two luxury suites for each day of this event as Mr. Stalf indicated he wanted his own private suite. In addition to the luxury suites, 20 "Golden Horseshoe" tickets were purchased. The total cost of this event was \$31,610.00. SIU located the original invoice, submitted by OSU to the Zoo, when examining the email activity of Mr. Fingerhut.

SIU subsequently recovered the invoice Mr. Fingerhut submitted to the Zoo's Finance Department for this same expense. Although the amount due was the same, the description of what was being billed had changed. In Mr. Fingerhut's second proffer session, he confirmed there were instances when he "doctored" the invoices in order to conceal what was truly purchased from the Finance Department. When asked for a detailed explanation of how he did this, Mr. Fingerhut stated he printed out the verbiage he wanted and pasted them over the descriptions on the original invoice, then made a photocopy which would be retained in the Zoo's records. The invoices are compared below.

SUPPLEMENT TO THE FRAUD EXAMINATION REPORT



The Ohio State University
1020 Schottenstein Center
555 Borror Drive
Columbus, OH 43210
Phone: 614-292-4792
Fax: 614-292-2919

Original

INVOICE

No. 03252017JD

Customer: Columbus Zoo
9990 Riverside Drive
Powell, OH 43065
Attn: Pete Fingerhut

Invoice Date: March 25, 2017

| Quantity | Description | Unit Price | Total |
|---------------|--|------------|-----------------|
| 20 | Golden Horseshoe Seats for both days of Buckeye Country Superfest | \$568 | \$11,360 |
| 2 | Luxury Suites for both days of Buckeye Country Superfest - 14 Suite Tickets per day - 3 parking passes per day | \$10,125 | \$20,250 |
| TOTAL: | | | \$31,610 |

Your Payment via Check or Credit Card is Appreciated
Visa / Mastercard / American Express / Discover
CC # [REDACTED] Exp. Date 05 / 91
Please Return with Payment in the Enclosed Envelope

Make Checks Payable To:
The Ohio State University



The Ohio State University
1020 Schottenstein Center
555 Borror Drive
Columbus, OH 43210
Phone: 614-292-4792
Fax: 614-292-2919

Altered

INVOICE

No. 03252017JD

In addition to the suite rental, the Zoo also paid \$12,510.46 for catering for both days (see receipts below), including numerous bottles of alcohol. Between the two suites, the Zoo purchased two bottles of 12-year Macallan scotch, six bottles of Tito's vodka, five bottles of Grey Goose vodka, and 70 various six-packs of beer. Mr. Bell completed a Form altering the purpose for each of the four catering expenses, as shown below. Mr. Stalf approved the Form and the purchases.

COLUMBUS ZOOLOGICAL PARK
Credit Card Usage Form

Last 4 digits of Credit Card used: [REDACTED]

☐
☐
☐
☒

Please fill in the date, vendor name, purpose of purchase, account number to apply charge to and the total of each purchase.

Name: GREG BELL / TOM STALF / PETE FINGERHUT
(Please Print)

| Date | Vendor | Purpose | Acct Number | Total |
|---------|-----------------------|---------------------------|-------------|----------|
| 6/7/17 | LEVY REST CASH AGENCY | FOOD & DRINKS FOR WARS-TV | 2-81151-240 | 1,745.85 |
| 5/22/17 | LEVY REST CASH AGENCY | " " " DRINKS & ACP | 2-81151-240 | 1,491.69 |
| 6/10/17 | LEVY REST CASH AGENCY | " " " DRINKS & ACP | | 2,287.21 |
| 6/10/17 | | " " " WARS-TV | | 7,344.64 |
| 6/11/17 | | " " " DRINKS & ACP | | 2,716.79 |
| 6/11/17 | | " " " DRINKS & WARS | | 3,462.10 |

SUPPLEMENT TO THE FRAUD EXAMINATION REPORT

Levy Restaurants @ OSU Stadium
Ohio State University Stadium
555 Borer Drive
Columbus, OH 43210

06/11/17 22:10

Invoice: 286214
Employee: [REDACTED]

Suite: 14
Order ID: 1794433

| | |
|-------------------------|---------|
| 14 All-American | 699.30 |
| # 49.95 | |
| 1 Barco Root Beer (6-p) | 16.00 |
| 3 Dasani Water (6-pack) | 48.00 |
| # 16.00 | |
| 2 Miller Lite (6-pack) | 52.00 |
| # 26.00 | |
| 6 Crispy Fried Chicken | 59.70 |
| # 9.95 | |
| 1 Grey Goose (750mL) | 95.00 |
| 1 Coors Light (6-pack) | 26.00 |
| 1 Market Fresh Fruit | 90.00 |
| 1 Cranberry Juice (6-p) | 20.00 |
| 1 Coca-Cola Classic (6) | 16.00 |
| 1 Pretzel Bites with A | 61.00 |
| 6 Bud Light (6-pack) | 156.00 |
| # 26.00 | |
| 1 Diet Coke (6-pack) | 16.00 |
| 1 Gourmet Cookies and | 61.00 |
| 2 Miller Lite (6-pack) | 52.00 |
| # 26.00 | |
| 1 Barco Root Beer (6-p) | 16.00 |
| 2 Buckeyes | 122.00 |
| # 61.00 | |
| Subtotal | 1606.00 |
| Service Charge | 289.08 |
| Tax | 142.13 |
| Tip | 0.00 |
| Total | 2037.21 |

+ Food & Drink Tip 250.00
= Total 2287.21

Print Name
Signature: [Signature]

Levy Restaurants @ OSU Stadium
Ohio State University Stadium
555 Borer Drive
Columbus, OH 43210

06/11/17 22:14

Invoice: 287316
Employee: [REDACTED]

Suite: 15
Order ID: 1802297

| | |
|--------------------------|---------|
| 18 All-American | 699.10 |
| # 49.95 | |
| 4 Leinenkugels Summer | 112.00 |
| # 28.00 | |
| 1 Diet Coke (6-pack) | 16.00 |
| 2 Buckeyes | 122.00 |
| # 61.00 | |
| 1 Greystone Chardonnay | 51.00 |
| 8 Crispy Fried Chicken | 79.60 |
| # 9.95 | |
| 8 Miller Lite (6-pack) | 208.00 |
| # 26.00 | |
| 1 Sprite (6-pack) | 16.00 |
| 2 Bud Light (6-pack) | 52.00 |
| # 26.00 | |
| 1 Coors Light (6-pack) | 26.00 |
| 1 Market Fresh Fruit | 90.00 |
| 3 Bud Light (6-pack) | 78.00 |
| # 26.00 | |
| 3 Dasani Water (6-pack) | 48.00 |
| # 16.00 | |
| 2 Miller Lite (6-pack) | 52.00 |
| # 26.00 | |
| 2 Koozie | 20.00 |
| # 10.00 | |
| 1 Market Fresh Vegetab | 90.00 |
| 2 Schweppes Club Soda | 32.00 |
| # 16.00 | |
| 1 Cranberry Juice (6-p) | 20.00 |
| 1 Coors Light (6-pack) | 26.00 |
| 1 Pretzel Bites with A | 61.00 |
| 10 Crispy Fried Chicken | 99.50 |
| # 9.95 | |
| 3 Titans Handmade (750m) | 225.00 |
| # 75.00 | |
| 1 Coca-Cola Classic (6) | 16.00 |
| 1 Gourmet Cookies and | 61.00 |
| 2 Dasani Water (6-pack) | 32.00 |
| # 16.00 | |
| Subtotal | 2532.20 |
| Service Charge | 455.80 |
| Tax | 224.10 |
| Tip | 0.00 |
| Total | 3212.10 |

Fingerhut, Pete

From: receipts@bypassmobile.com@receipts.bypassmobile.com on behalf of
receipts@bypassmobile.com
Sent: Monday, June 12, 2017 2:42 PM
To: Fingerhut, Pete
Subject: Ohio State University Stadium Receipt

[PDF Receipt Download](#)

Premium Suites
at OSU Stadium
Receipt

Other 15
Order # 1794433
Saturday, June 10, 2017
Country Music Fest

Food & Drink

| | |
|---|-----------|
| 1 Market Fresh Fruit | \$90.00 |
| 2 Buckeyes | \$122.00 |
| 3 Miller Lite (6-pack) | \$78.00 |
| 1 Gourmet Cookies and Brownies | \$61.00 |
| 2 Macallan 12-Year (750mL) | \$240.00 |
| 8 Crispy Fried Chicken Tenders | \$79.60 |
| 1 Diet Coke (6-pack) | \$16.00 |
| 2 Coors Light (6-pack) | \$52.00 |
| 1 Coca-Cola Classic (6-pack) | \$16.00 |
| 1 Titans Handmade (750mL) | \$225.00 |
| 2 Sprite (6-pack) | \$32.00 |
| 1 Pretzel Bites with Assorted Dips.. | \$61.00 |
| 1 Schweppes Club Soda (6-pack) | \$16.00 |
| 3 Leinenkugels Summer Shandy (6-pack).. | \$84.00 |
| 4 Bud Light (6-pack) | \$104.00 |
| 1 Cranberry Juice (6-pack) | \$20.00 |
| 1 Market Fresh Vegetables | \$90.00 |
| 2 Club Soda (6-pack) | \$32.00 |
| 18 All-American | \$699.10 |
| 4 Dasani Water (6-pack) | \$64.00 |
| 4 Grey Goose (750mL) | \$380.00 |
| 9 Miller Lite (6-pack) | \$234.00 |
| 3 Bud Light (6-pack) | \$78.00 |
| 1 Schweppes Tonic Water (6-pack) | \$16.00 |
| 1 Cranberry Juice (6-pack) | \$20.00 |
| Subtotal | \$3109.70 |
| Service Charge | \$559.75 |
| Tax | \$275.21 |
| Food & Drink Gratuity | \$400.00 |
| Total | \$4344.66 |

Please note that all food and beverage items are subject to an 18% service charge plus applicable sales tax. The service charge is not a tip or gratuity and is not distributed to service employees. Additional payment for tips or gratuity for service, if any is voluntary and at your discretion.

Opened: 06/10/2017, 11:10
Closed: 06/10/2017, 23:39

555 Borer Drive
Ohio State University Stadium
Columbus OH, 43210

Invoice # 286212

Other notable suites purchased from OSU/Schottenstein Center include both Garth Brooks concerts on April 22 and 23, 2016, which Mr. Stalf attended. The amount paid for the suites was \$8,000.00 and the catering for each concert was \$2,196.73 and \$1,786.86, respectively, entirely funded by the Zoo. On the Form completed by Mr. Bell and approved by Mr. Stalf, as shown below, the purpose was altered. SIU did not locate any evidence of Board members attending this concert.

SUPPLEMENT TO THE FRAUD EXAMINATION REPORT

COLUMBUS ZOOLOGICAL PARK
Credit Card Usage Form

Last 4 digits of Credit Card used: [REDACTED]

☐
☐
☐
☒

Please fill in the date, vendor name, purpose of purchase, account number to apply charge to and the total of each purchase.

Name: GREG BELL / TOM STALF
(Please Print)

| Date | Vendor | Purpose | Acct Number | Total |
|------|----------------------|--------------------------------|-------------|----------|
| 4/4 | SCHOTTENSTEIN CENTER | PROMOTIONAL EFFORTS | 2-81151-240 | 8,000.00 |
| 4/5 | " " | " " | " " | 4,500.00 |
| 4/12 | LEVY RESTAURANTS | FOOD & DRINKS BOARD MEET | " " | 2,390.62 |
| 4/22 | " " | " " | " " | 2,196.72 |
| 4/23 | " " | " " | " " | 1,786.86 |
| 4/26 | TICKET- CENTER | TICKETS FOR BOARD MEET & BOOZE | " " | 2,101.50 |

Columbus Clippers / Huntington Park

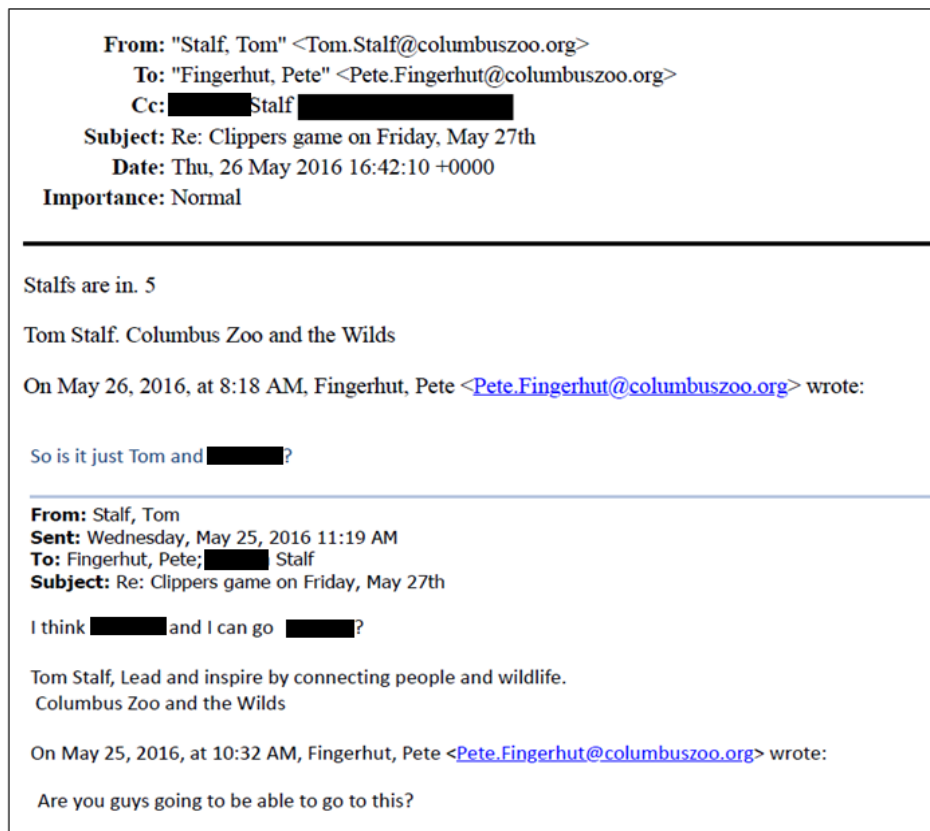
The Zoo engaged in a five-year sponsorship (2012-2016 totaling \$50,000.00), plus three extra years of "media/marketing partnership" (2017-2019 totaling \$30,000.00) with the Columbus Clippers. The initial sponsorship involved the Zoo covering the cost of concrete animal statues to be purchased and placed throughout Huntington Park; however, they were later removed after being deemed safety hazards. The 2017-2019 contracts included the following advertising aspects:

- Fifteen second video of the Zoo shown 10 to 12 times per year on the Clipper's videoboard during games.
- Zoo logo shown in various sizes during each game for up to 15 seconds.
- Zoo literature, tickets, or coupons passed out up to six times per season.
- Thirty second Zoo commercial to run on all televisions in Huntington Park.

Unlike Nationwide Arena and the Schottenstein Center, no suites were included in the contracts; however, the Columbus Clippers General Manager did often offer suites to Mr. Fingerhut for games when the true suite holders were not using them. Likewise, Mr. Fingerhut would often reach out directly to the Columbus Clippers General Manager to ask if suites were available. Although these were offered fully complementary at no cost to the Zoo, Mr. Fingerhut and any other Zoo executives who used the suites were responsible for covering the cost of any catering orders placed. Similar to the catering costs at Nationwide Arena and the Schottenstein Center, the Zoo executives used Zoo funds to cover these costs for themselves and their families. The following are various examples of not only Zoo executives using the suites to entertain family members and friends, but also the attempt to conceal the true purpose of the purchase from the Zoo's Finance Department.

SIU discovered an email (shown below) where Mr. Fingerhut asks if the Stalf family can attend a Columbus Clippers game with the Fingerhut's on May 27, 2016. SIU then located the corresponding catering receipt for the suite totaling \$925.83, which was paid for using Mr. Fingerhut's Zoo issued credit card. While Mr. Fingerhut's monthly Form was actually completed by Mr. Bell, it listed the purpose of the catering purchase as "Food & Drink – WBNS Staff." SIU did not locate any evidence WBNS staff were in attendance.

SUPPLEMENT TO THE FRAUD EXAMINATION REPORT



Also in 2016, Mr. Bell obtained a suite at Huntington Park, and not only did he ask Mr. G. Bell if he and his family would like to join, but he also told his son he could bring six to seven people with him. Mr. Bell used his Zoo issued credit card to pay the \$983.68 catering bill and then listed the purpose of the catering bill as "Food & drinks for Board Mbrs". SIU did not locate any evidence Board members were in attendance.

Objective 4 – Determine whether memberships obtained and disbursements made by the Zoo during the Period to Kinsale and Wedgewood were supported and were made for purposes related to the operations of the Zoo.

PROCEDURES

We examined memberships obtained and available documentation for disbursements paid to Kinsale and Wedgewood from the Zoo to determine whether these payments were supported and were made for purposes related to the operations of the Zoo.

RESULTS

The Zoo Board approved Mr. Stalf's memberships at both Wedgewood and Kinsale, sister properties, in order to network with other area executives and entertain Zoo guests and donors, but only for Zoo business purposes. The Board also required Mr. Stalf to reimburse any personal expenses incurred at either country club. Mr. Bell also held a membership at Wedgewood, while Mr. Fingerhut held a membership at Kinsale; however, neither of these memberships were Board approved even though the Zoo paid for the memberships. Based on our examination of Wedgewood and Kinsale monthly statements, individual monthly charges billed to each account, and extensive document review, the Zoo executives' memberships were not being used for proper Zoo business purposes.

SUPPLEMENT TO THE FRAUD EXAMINATION REPORT

Wedgewood

The Zoo had signed agreements with Wedgewood from 2016 through 2020, with Mr. Stalf signing the 2018-2020 agreements. The signature page for the 2016 agreement was not provided by Wedgewood in their subpoena response and the 2017 agreement did not include actual signatures; however, Mr. Stalf's name was printed as the Zoo's representative. Each agreement included different trade values for what Wedgewood would receive from the Zoo in exchange for a golf membership and event space. This included general admission tickets to the Zoo, Zoombezi Bay, animal visits, a table at four JazZoo concerts, in-park spending, and one year of Zoofari tickets. In return, the Zoo received full golf privileges for four memberships and access to all event space at Wedgewood. While Mr. Stalf and Mr. Bell held two of the four memberships, the third was held by the General Manager of Zoombezi Bay and the fourth was held by various director level and above employees over the course of the agreements. The individual monthly statements for Mr. Stalf and Mr. Bell were mailed to the Zoo and these incidentals were paid with Zoo funds. The General Manager of Zoombezi Bay personally received his monthly statement and would only request reimbursement from the Zoo if he incurred a charge for business purposes.

We obtained the monthly Wedgewood account statements and detailed receipts for Mr. Stalf and Mr. Bell. For each monthly Wedgewood account balance, we matched the payment amount to a Zoo check, except for two instances when the Zoo-issued credit card was used once for payment and Mr. Stalf's personal credit card was used once for payment in August 2020.

The following are examples of personal incidental purchases paid for by the Zoo made by Mr. Stalf and Mr. Bell at Wedgewood:

Mr. Stalf:

- June 16, 2016: Various items from the pro shop totaling \$82.84.
- March 13 and 17, 2017: Two personal training sessions totaling \$120.00.
- December 20, 2017: Various items from the pro shop totaling \$482.70.
- July 5, 2019: Wife purchased five meals and alcoholic drinks totaling \$184.88.
- November 24 and 27, 2019: Minor child charged \$50.00 and \$90.00 for a tennis court time and multiple indoor guest fees, respectively.

Mr. Bell:

- June 30, 2017 and August 26, 2017: Three golf guest passes and three cart fees totaling \$368.44 both times.
- September 20, 2017: Three golf guest passes and a cart fee totaling \$249.61 and clothing from the pro shop totaling \$87.47.

SUPPLEMENT TO THE FRAUD EXAMINATION REPORT

A sampling of receipts obtained via subpoena is depicted below showing personal purchases made by Mr. Stalf, Mr. Stalf's wife, and his minor child using Mr. Stalf's Zoo account:

| Wedgewood Golf & Country Club | |
|--------------------------------|--------------|
| Chit Details | |
| Member: 1065A [REDACTED] Stalf | |
| Server: [REDACTED] | |
| Area: Mixed Grill | |
| Table#: 51 | Covers: 4 |
| Chit #: 02059145 | |
| Date: Jul 5/19 | Time: 7:52pm |
| Ketel One Citron | 8.50 |
| Bud Light Bottle | 3.75 |
| Bacardi | 8.50 |
| Bacardi | 8.50 |
| French Onion | 4.00 |
| Roasted Chicken | 20.00 |
| Roasted Chicken | 20.00 |
| Roasted Chicken | 20.00 |
| Roasted Chicken | 20.00 |
| Shrimp Pad Thai | 23.00 |
| Ketel One Citron | 8.50 |
| Sub-Total: | 144.75 |
| Sales Tax | 10.13 |
| Chit Total: | \$154.88 |
| Add Gratuity | \$30.00 |
| Member Charge | \$184.88- |

| Wedgewood Golf & Country Club Pro | |
|-----------------------------------|---------------|
| Chit Details | |
| Member: 1065 Thomas Stalf | |
| Server: [REDACTED] | |
| Area: Pro Shop | |
| Chit #: 20078741 | |
| Date: Dec 20/17 | Time: 12:50pm |
| 100001 | 180.00 |
| 16 Titleist Pro V 1 | |
| Discount | -20.00 |
| 740070 | 99.00 |
| 2 Nike OSU HZ Core | |
| 700042 | 57.50 |
| Nike OSU ThermaFit | |
| 600020 | 9.12 |
| 2 Nike Golf D-Fit Sock | |
| 300103 | 58.75 |
| Nike Mobilty Polo | |
| 300109 | 66.75 |
| Donald Ross L/S Logo | |
| Sub-Total: | 451.12 |
| Sales Tax | 31.58 |
| Chit Total: | \$482.70 |
| Quick Mem Charge | \$482.70- |
| Thank you for your business! | |

| Wedgewood Golf & Country Club Tenn | |
|------------------------------------|--------------|
| Chit Details | |
| Member: 1065 Thomas Stalf | |
| Server: [REDACTED] | |
| Area: Fitness | |
| Chit #: 35004063 | |
| Date: Mar 13/17 | Time: 7:52am |
| 1 Training - [REDACTED] | 60.00 |
| Sub-Total: | 60.00 |
| Chit Total: | \$60.00 |
| Member Charge | \$60.00- |

| Wedgewood Golf & Country Club Tenn | |
|------------------------------------|--------------|
| Chit Details | |
| Member: 1065 Thomas Stalf | |
| Server: [REDACTED] | |
| Area: Fitness | |
| Chit #: 35004079 | |
| Date: Mar 17/17 | Time: 5:40am |
| 1 Training - [REDACTED] | 60.00 |
| Sub-Total: | 60.00 |
| Chit Total: | \$60.00 |
| Member Charge | \$60.00- |

| Wedgewood Golf & Country Club Tenn | |
|------------------------------------|---------------|
| Chit Details | |
| Member: 1065B [REDACTED] Stalf | |
| Server: [REDACTED] | |
| Area: Tennis | |
| Chit #: 30054005 | |
| Date: Nov 27/19 | Time: 11:09am |
| 1 Court Time | 30.00 |
| 3 Indoor Guest Fee | 60.00 |
| Sub-Total: | 90.00 |
| Chit Total: | \$90.00 |
| Member Charge | \$90.00- |
| Gratuity: | |
| Total: | |

In a June 22, 2023 proffer, Mr. Bell stated he would often have lunch at Wedgewood in addition to golfing with friends and family. Mr. Bell advised he never entertained any Zoo donors at Wedgewood and more often than not, the transactions were not related to Zoo business. Mr. Bell also confirmed he never made any reimbursements to the Zoo for these expenditures.

Between January 2014 and November 2020, the Zoo paid Wedgewood a total of \$23,397.74. Of that amount, \$100.00 was paid to cover the other two Wedgewood membership accounts and \$207.34 was paid by Mr. Stalf from his personal account. The total amount paid by the Zoo for Mr. Stalf and Mr. Bell for incidentals totaled \$23,090.40, which includes \$18,854.30 paid for Mr. Stalf and \$4,236.10 paid for Mr. Bell.

Kinsale

Both Mr. Stalf and Mr. Fingerhut obtained memberships to Kinsale in 2016 through their own individual Golf Membership Applications. They both selected the Family Marquee Golf membership, and the Zoo paid the monthly payments from a combination of barter account funds and Zoo credit cards. Subsequently, after the 2018 special audit, Mr. Fingerhut began paying his monthly Kinsale expenditures using his own personal credit card. Kinsale members also receive club amenity privileges at their sister club, Scioto Reserve Country Club.

SUPPLEMENT TO THE FRAUD EXAMINATION REPORT

We obtained the monthly Kinsale account statements and chit detail receipts for Mr. Stalf and Mr. Fingerhut. For each monthly Kinsale account balance, we matched the payment amount to a Zoo barter account payment, a Zoo-issued credit card payment, or Mr. Fingerhut's personal credit card payment.

The following are examples of personal incidental purchases paid for by the Zoo made by Mr. Stalf and Mr. Fingerhut at Kinsale:

Mr. Stalf:

- March 3, 2017: Food, including children's meals for his minor children, and alcohol totaling \$174.89.
- June 3, 2017: Various items from the pro shop totaling \$159.43.
- June 7 and 9, 2017: Food, including children's meals, and alcohol totaling \$307.03 and \$101.51, respectively.
- July 29, 2017: Food, including children's meals, and alcohol totaling \$257.50.

Mr. Fingerhut:

- August 28, 2016: Wife purchased alcohol, totaling \$16.49.
- September 24, 2016: Wife purchased food and alcohol totaling \$56.08.
- November 3, 2016: Food, including a children's meal for his minor child, and alcohol totaling \$73.50.
- November 4, 2016: Wife purchased food, including a children's meal, and alcohol totaling \$69.85.
- January 28, 2017: Wife purchased a boxing class at Kinsale Fitness Center totaling \$15.00.
- March 12, 2017: Food, including children's meals, and alcohol totaling \$220.39.
- March 24, 2017: Twelve youth guest passes totaling \$840.00.
- May 29, 2017: Minor child purchased a Memorial Day cookout ticket totaling \$13.86.

SUPPLEMENT TO THE FRAUD EXAMINATION REPORT

A sampling of receipts obtained via subpoena are depicted below showing personal purchases made by Mr. Fingerhut, Mr. Fingerhut's wife, and Mr. Stalf:

| Scioto Reserve F & B | |
|----------------------|-----------------------|
| Chit Details | |
| Member: K1133300A | Fingerhut, [REDACTED] |
| Server: [REDACTED] | |
| Area: The Turn | |
| Covers: 3 | |
| Chit #: 31020590 | |
| Date: Sep 24/16 | Time: 9:27pm |
| Chicken Fingers | 6.00 |
| B.L.T | 6.00 |
| Soup Cup | 3.00 |
| Eagle | 7.00 |
| Smirnoff | 6.00 |
| Smirnoff | 6.00 |
| Canyon Rd | 5.00 |
| Canyon Rd | 5.00 |
| Sub-Total: | 44.00 |
| Sales Tax | 3.08 |
| Chit Total: | \$47.08 |
| Tips | \$9.00 |
| Member Charge | \$56.08- |

| Kinsale Golf And Fitness | |
|----------------------------|----------------------|
| MARQUEE CLUB GROUP | |
| Chit Details | |
| Member: K1133300A | [REDACTED] Fingerhut |
| Area: Front Desk - Cashier | [REDACTED] |
| Chit #: 12018908 | |
| Date: Jan 28/17 | Time: 9:50am |
| QUANT | Description |
| 1.0 | Boxing |
| | 15.00 |
| Sub Total | 15.00 |
| Chit Total | \$15.00 |
| Member Charge | \$15.00- |
| | \$0.00 |
| SIGNATURE | |

| Kinsale Golf & Fitness | |
|------------------------------------|--------------|
| Chit Details | |
| Member: K1133660 | Tom Stalf |
| Server: [REDACTED] | |
| Area: The Grill | |
| Table #: 23 | Covers: 11 |
| Chit #: 01020632 | |
| Date: Jun 7/17 | Time: 8:17pm |
| Miller Lite Draft | 4.50 |
| Summer Shandy BTL | 4.00 |
| Absolut Citron | 7.00 |
| Labatt Draft | 4.50 |
| Blue Eagle Chips | 9.99 |
| Fried Caulif | 9.99 |
| Titos | 7.00 |
| - Double | 3.00 |
| KIDS SPAG & MEATBALL | 6.00 |
| Turkey Rueben | 10.49 |
| Brisket Mac N Cheese | 15.99 |
| Mahi Mahi Tacos | 13.99 |
| kids chicken pasta | 6.00 |
| Kids Pep Pizza | 6.00 |
| Shrimp Tacos | 13.99 |
| House Salad - Small | 6.99 |
| KIDS SPAG & MEATBALL | 6.00 |
| Chicken Parmesan | 15.99 |
| Pan Fried Grouper | 20.99 |
| Miller Lite Draft | 4.50 |
| Miller Lite Draft | 4.50 |
| Absolut Citron | 7.00 |
| - Double | 3.00 |
| Absolut Citron | 7.00 |
| Summer Shandy BTL | 4.00 |
| 5 Milkshake | 29.95 |
| Chocolate Lava Cake | 5.99 |
| Sub-Total: | 238.35 |
| Sales Tax | 16.68 |
| Chit Total: | \$255.03 |
| Tip | \$52.00 |
| Member Charge | \$307.03- |
| Visit www.KinsaleSignatureShop.com | |

| Kinsale Signature Shop | |
|--|--------------|
| Chit Details | |
| Member: K1133660 | Tom Stalf |
| Server: [REDACTED] | |
| Area: Pro Shop - Kinsale | |
| Chit #: 10020912 | |
| Date: Jun 3/17 | Time: 6:21pm |
| 220207 | 28.00 |
| TI - Sport Mesh | |
| Mill Riv Discount | -6.00 |
| 145609 | 106.00 |
| NI - TW Majors Block | |
| Mill Riv Discount | -18.00 |
| 220227 | 27.00 |
| TI - Tour Performanc | |
| Mill Riv Discount | -5.00 |
| 220204 | 21.00 |
| TI - Junior Hat | |
| Mill Riv Discount | -4.00 |
| Sub-Total: | 149.00 |
| Sales Tax | 10.43 |
| Chit Total: | \$159.43 |
| Member Charge | \$159.43- |
| All Member Appreciation Sales are Final - No Returns | |

| Kinsale Golf & Fitness | |
|------------------------------------|-----------------|
| Chit Details | |
| Member: K1133300 | Peter Fingerhut |
| Server: [REDACTED] | |
| Area: The Grill | |
| Table #: 22 | Covers: 6 |
| Chit #: 01016878 | |
| Date: Mar 12/17 | Time: 8:49pm |
| Absolut | 7.00 |
| Absolut | 7.00 |
| Potstickers | 9.49 |
| Fried Caulif | 9.99 |
| Joel Gott Cab | 28.00 |
| KIDS SPAG & MEATBALL | 6.00 |
| Kid Burger | 6.00 |
| Absolut | 7.00 |
| Absolut | 7.00 |
| Side Chip Chop | 3.25 |
| DS Seared Bass | 25.00 |
| Meatloaf Stack | 15.99 |
| Large Baby Spinach | 10.49 |
| - Add Salmon | 7.50 |
| Chicken Caprese Sand | 10.49 |
| Absolut | 7.00 |
| Absolut | 7.00 |
| Sub-Total: | 174.20 |
| Sales Tax | 12.19 |
| Chit Total: | \$186.39 |
| Tip | \$34.00 |
| Member Charge | \$220.39- |
| Visit www.KinsaleSignatureShop.com | |

Between June 2016 and April 2021, a total of \$100,488.40 was paid to Kinsale. Of that, \$65,687.96 was paid by the Zoo's barter account, \$28,135.96 was paid by the Zoo's credit card, and the remaining \$6,664.48 was paid personally by Mr. Fingerhut's credit card. For the total amount paid by the Zoo's barter account and Zoo's credit card, \$49,882.90 was paid for Mr. Stalf and \$43,941.02 was paid for Mr. Fingerhut.

In a May 2, 2023, proffer session, we asked Mr. Fingerhut about his Kinsale membership. Mr. Fingerhut stated he was permitted to use the county club to entertain clients for business purposes with golf and meals. Mr. Fingerhut further advised his family was permitted to use the county club's amenities and make purchases if he promptly reimbursed the Zoo.

We asked Mr. Fingerhut if he reimbursed the Zoo for his personal purchases prior to the 2018 special audit, to which Mr. Fingerhut replied, "I remember making some." We subsequently showed Mr. Fingerhut the Zoo's Cash Receipt Log, which reflected zero reimbursements made prior to the audit.

SUPPLEMENT TO THE FRAUD EXAMINATION REPORT

Mr. Fingerhut told SIU he reimbursed the Zoo “100% of the time” for personal purchases made after the 2018 special audit. Whereas this is factual, Mr. Fingerhut’s personal purchases of food and alcohol drastically decreased once his reimbursements were closely monitored.

When we asked Mr. Bell about Mr. Fingerhut’s Kinsale expenditures, he stated, “Pete at Kinsale was off the charts.” He told SIU he would question Mr. Fingerhut about his purchases, to which Mr. Fingerhut would identify the people he allegedly entertained. Mr. Bell stated he told Mr. Fingerhut, “Pete those are your neighbors. It doesn’t count.”

Mr. Bell further advised he brought Mr. Fingerhut’s spending to Mr. Stalf’s attention several times, but no action was taken, “because Tom was doing sort of the same thing. He was probably at Kinsale half the time Pete was there with his family.”

We reviewed the Zoo’s Cash Receipt Log for Mr. Fingerhut and determined Mr. Fingerhut only reimbursed the Zoo \$1,323.66 for his Kinsale expenses. These reimbursements occurred from May through November 2018, which is after the 2018 special audit. Beginning in December 2018, Mr. Fingerhut paid his Kinsale expenditures using his personal credit card.

Objective 5 – Determine whether the purchase and sale of vehicles used by Zoo executives during the Period were supported and were made for purposes related to the operations of the Zoo.

PROCEDURES

We examined available documentation to determine whether the purchase and sale of vehicles used by Zoo executives were supported and were made for purposes related to the Zoo.

RESULTS

The Zoo maintains vehicle fleet listings for both the Zoo and The Wilds properties, with approximately 70-90 vehicles on each listing during a given year. Per Mr. Stalf’s employment contract, he received a \$600.00 monthly (\$7,200.00 annually) vehicle allowance. This allowance was added as a taxable fringe benefit through his payroll and paid monthly along with his normal wages. The employment contract provided no further details about what specifically the \$600.00 could be used for. During the investigation, we identified six vehicles included on the fleet listings which were for the Zoo executives’ use. Two of the six vehicles were Nissan Armadas which were donated to the Zoo prior to March 2013. The remaining four vehicles were purchased and sold by the Zoo during the Period.

We obtained the invoices, purchase and sale documents and any other supporting documentation for the remaining four vehicles in question: the 2009 Ford F-53 RV, 2016 Toyota Highlander, 2018 Mitsubishi Outlander, and 2016 GMC Yukon.

According to statements made in witness interviews, the Ford F-53 RV was purchased in case Zoo employees, such as security staff, were out late at The Wilds and needed sleeping accommodations. It was later determined through our continued investigation the RV was instead used by Mr. Stalf for personal purposes. There was no Zoo purpose for buying the Toyota Highlander, the Mitsubishi Outlander, or the GMC Yukon. We reviewed the Zoo Board meeting minutes, but there was no evidence the Board discussed or approved the purchases of these four vehicles.

SUPPLEMENT TO THE FRAUD EXAMINATION REPORT

We reviewed the documentation for the purchase and sales prices of each vehicle to determine the overall profit or loss to the Zoo, as described below:

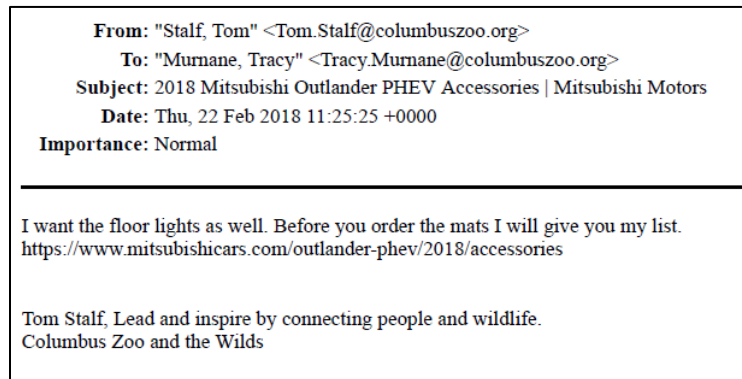
| Vehicle | Date Purchased | Purchase Amount | Date Sold | Sold Amount | Loss to the Zoo |
|----------------------|-------------------|-----------------|----------------------------------|-------------|-----------------|
| Ford F-53 RV | June 22, 2017 | \$45,000.00 | June 2, 2020 | \$37,750.00 | \$7,250.00 |
| Toyota Highlander | June 21, 2016 | \$51,174.13 | (Traded In) February 20, 2018 | \$34,000.00 | \$17,174.13 |
| Mitsubishi Outlander | February 20, 2018 | \$38,443.25 | April 6, 2021 | \$16,000.00 | \$22,443.25 |
| GMC Yukon | December 6, 2019 | \$34,530.00 | April 6, 2021 | \$30,000.00 | \$4,530.00 |

Overall, the four vehicles purchased and sold resulted in a loss of \$51,397.38 to the Zoo.

Even though the vehicle allowance funds were provided directly to Mr. Stalf in his wages to either lease or purchase a vehicle, we found he instead used additional Zoo funds to purchase vehicles outright while still collecting his monthly benefit.

Mr. Stalf facilitated the purchase of the Highlander for himself, and this purchase was made with a Zoo check. Less than two years later, Mr. Stalf subsequently traded in the Highlander for an Outlander. Again, this vehicle was paid for with a Zoo check and none of Mr. Stalf's payroll vehicle allowance was used for these purchases while he continued to collect this fringe benefit.

We uncovered numerous email threads including Mr. Stalf where it is apparent both vehicles were for his sole use, even noting the vehicle specifications he prefers. An example is below:



Regarding the RV, SIU was unable to locate evidence of this vehicle being used for Zoo business purposes. Instead, it was found Mr. Stalf used the RV to take his family on a trip to Put-in-Bay, Ohio. A witness also told SIU Mr. Stalf used the RV to house family members at his personal residence when visiting from out of town. The RV remained parked for a substantial period of time at Mr. Stalf's residence and evidence was found indicating Mr. Stalf planned to construct a barn on his property to house the RV. SIU interviewed local contractors who provided estimates to Mr. Stalf for this structure, which was configured to accommodate the dimensions of the RV.

SUPPLEMENT TO THE FRAUD EXAMINATION REPORT

Objective 6 – Determine whether the total disbursements made by the Zoo to Uptown Signs during the Period were supported and were made for purposes related to the operations of the Zoo.

PROCEDURES

We examined available documentation for Uptown Signs disbursements made by the Zoo to determine whether these payments were supported and were made for purposes related to the operations of the Zoo.

RESULTS

For years, the Zoo utilized numerous sign vendors in the Columbus area to create signs used throughout the Zoo property. Even though the Zoo already had established vendors, the Zoo began using a new sign vendor called Uptown Signs in 2014. According to the Ohio Secretary of State's website, Uptown Signs was created and owned by Mr. Murnane's wife. We subpoenaed Uptown Signs' bank account statements and invoices from April 2014 through February 2020. In addition, the Zoo provided copies of the Uptown Signs' invoices and Check Request Forms for the same period; however, both the Zoo and Uptown Signs were unable to produce invoices for 2015. A Check Request Form may be used by Zoo employees when a payment is needed quicker than using the normal accounts payable process. The Check Request Form includes the vendor's name and address, the amount of the Zoo check payment, the Zoo's internal account number, any special instructions, the signature of the individual requesting the payment, and the signature of the individual approving the payment. Utilizing the documentation provided by both the Zoo and Uptown Signs, we traced the amount invoiced by Uptown Signs to the Check Request Forms, individual Zoo check payment, and amount deposited into the Uptown Signs' bank account.

Uptown Signs submitted 73 invoices to the Zoo for various signs that were created by Mr. Murnane's wife. The first two Uptown Signs' invoices were processed using the Zoo's normal purchase order process. We traced each of the remaining invoices to the corresponding Zoo Check Request Form, which 58 were requested by Mr. Murnane and two "Requested By" fields were left blank. Mr. Murnane and Mr. Stalf each approved one Check Request Form, while the remaining Check Request Forms were approved by Mr. Bell. Each of the Check Request Forms agreed to the corresponding Zoo check amount, and the amount deposited into the Uptown Signs' bank account, totaling \$100,085.50.

During our review of the Uptown Signs' bank accounts, we noted very few sources of income besides the Zoo check payments. Uptown Signs only had six additional deposits totaling \$2,811.51 from the Murnane family's own account or other payees. Additionally, check payments were written to Mr. Murnane's wife and adult child from the Uptown Signs bank account totaling \$56,440.00 and \$2,861.00, respectively, as soon as a Zoo check was deposited. The majority of these check payments, as well as an additional electronic transfer, were deposited into personal Murnane family bank accounts.

In reviewing the Uptown Signs' expenditures, other than the check payments or electronic transfers to the Murnane family members, the next two vendors which received the most money from Uptown Signs were the United States Treasury (\$6,940.00) and the Crew's Nest (\$6,285.01). The Crew's Nest is a premier boat club and resort in Put-In-Bay. The remaining expenditures from Uptown Signs included very few sign or sign supply purchases. Instead, Mr. Murnane used actual Zoo sign vendors to purchase various sign supplies with Zoo funds, which Mrs. Murnane then used to create the signs produced by Uptown Signs; therefore, diminishing the actual overhead cost of Uptown Signs.

SUPPLEMENT TO THE FRAUD EXAMINATION REPORT

The Zoo received the products they paid Uptown Signs for, but the investigation revealed numerous efforts made by Mr. Murnane to conceal the true ownership of Uptown Signs, as this activity was prohibited by Zoo policy, Professional Ethics – Outside Directorships and Investments:

- The address listed on invoices issued by Uptown Signs to the Zoo was for a UPS shipping center in Westerville, Ohio.
- Payments were processed via Check Request Forms, which deviates from the Zoo's standard practice of vendor invoices being paid via its internal purchase order system. By utilizing the Check Request Forms, they circumvented the checks and balances in place to verify vendor information.
- Mr. Murnane maintained sole control of the ordering process. When members of the Zoo's Special Events department needed signage, they would communicate their needs to Mr. Murnane, whom would in turn email his wife what was needed. Special Events staff were unable to place orders directly with Uptown Signs.
- Mr. Murnane would bring the finished products to work with him. No deliveries were made to the Zoo by Mrs. Murnane, as many Zoo personnel would know her identity.


Further, we located Zoo expenditures totaling \$9,164.26 paid to a vinyl and coroplast (sign materials) vendor, Grimco, that appeared to match the size and color of signs listed on invoices issued by Uptown Signs within the same time frame. The Grimco orders were placed by Mr. Murnane and paid for using a Zoo issued credit card or check. We issued a subpoena to Uptown Signs requesting various documents pertinent to signage produced for the Zoo, but the business was unable to produce an expense report, receipts, or other support showing how supplies were ordered or paid for by the business. It was the belief of SIU that Mr. Murnane used Zoo funds to purchase the supplies for Mrs. Murnane to produce the signs and this was confirmed by Mr. Murnane in his January 5, 2023, proffer.

Below is an example of a Grimco invoice which includes several details to indicate the products were used by Mrs. Murnane for Uptown Signs, even though the materials were purchased by the Zoo. The "PO #" is only Mr. Murnane's name, the instruction for the corrugated plastic is to be cut into 23"x31" pieces, and the Grimco representative is to call Mr. Murnane when the supplies are ready to be picked up. Compare this to the two Uptown Signs invoices, which both include sign charges for 23x31 Choro custom.

| UPTOWN SIGNS LLC | | | | | |
|---|--|----------|----------------|----------|--|
| 10 E SCHROCK RD SUITE 212 WESTERVILLE, OH 43081 | | | | | |
| Sold To | Columbus Zoo 9990 Riverside Dr. Powell, Oh 43065 | | 5/16/14 | inv#1007 | |
| Africa | | | | | |
| Order | Detail | Quantity | Price Per Item | Total | |
| General | 23x31 Choro. Custom | 26 | 35 \$ | 910.00 | |

| UPTOWN SIGNS LLC | | | | | |
|---|--|----------|----------------|----------|--|
| 10 E SCHROCK RD SUITE 212 WESTERVILLE, OH 43081 | | | | | |
| Sold To | Columbus Zoo 9990 Riverside Dr. Powell, Oh 43065 | | 5/16/14 | inv#1008 | |
| WildZFest | | | | | |
| Order | Detail | Quantity | Price Per Item | Total | |
| General | 23x31 Choro. Custom | 53 | 35 \$ | 1,855.00 | |
| | letter sheets | 5 | 20 \$ | 100.00 | |

SUPPLEMENT TO THE FRAUD EXAMINATION REPORT



Invoice (10796383-01)
 May 08, 2014

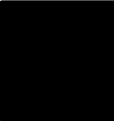
Invoice Summary

| | |
|----------------------|----------------------|
| Total before tax | \$ 205.23 |
| Tax | \$ 0.00 |
| Invoice total | \$ 205.23 USD |

Customer # 2123404
PO # TRACY
Terms Due 30 days from invoice
Order # 10796383
Shipment # 01
Due date 06-07-2014

Pay By

Electronic funds transfer

Bank name 

Account name

Bank routing# (ACH)

Bank routing# (Wire transfer)

Bank account #

SWIFT code (Wire transfer)

Include Grimco invoice number(s) in the descriptive field of your electronic funds transfer payment, or email eremit@grimco.com to submit your remittance details.
 *Contact Grimco Accounting for option to overnight check payments (636-651-3251).

Online
www.grimco.com

***Check**
 Grimco, Inc.
 28538 Network Place
 Chicago, IL 60673-1295

Bill to
 COLUMBUS ZOO
 PO BOX 400
 9990 RIVERSIDE DR
 POWELL OH 43065-0400

Ship to
 THE COLUMBUS ZOO
 9990 RIVERSIDE DR
 WAREHOUSE OPERATIONS
 ATTN: ED BUNS OR TRACY MURNANE
 POWELL OH 43065-9606

Invoice Details

| Line # | Item/description | Qty | Unit price | Add-on | Total |
|--------|--|------|------------|---------|----------|
| 1 | AP11 32 OZ W/SPRAYER APPLICATION FLUID | 1.00 | \$ 10.83 | \$ 0.00 | \$ 10.83 |
| 2 | 50-10-2410 24"x10YD WHITE 50 | 1.00 | \$ 32.95 | \$ 0.00 | \$ 32.95 |
| 4 | RGT24 24"x100 yds BriteLine+ Application Tape | 1.00 | \$ 65.08 | \$ 0.00 | \$ 65.08 |
| 5 | CP84W 48"x96" 4mm WHITE CORRUGATED PLASTIC <div style="border: 1px solid red; padding: 2px; margin: 5px 0;">out into 23" x 31" (40pcs)</div> <small>note direction does not matter</small> | 7.00 | \$ 10.91 | \$ 0.00 | \$ 76.37 |
| 6 | SAW CHARGE saw charge | 1.00 | \$ 20.00 | \$ 0.00 | \$ 20.00 |

CALL TRACY WHEN READY TO PU 614-209-9496

SUPPLEMENT TO THE FRAUD EXAMINATION REPORT

Additional Investigative Findings

PROCEDURES

Additional fraudulent activity was noted, which was not addressed by the special audit objectives previously discussed. This activity was determined to be personal in nature and not for the benefit of the Zoo. As a result of investigative interviews, review of bank records and other investigative techniques, we identified vehicle sales fraud, unreported incentive travel, conflict of interest for rental properties, improper use of ticketing contracts, and fraudulent advertising expenditures with the Dublin Irish Festival (DIF) and Ron Foth Advertising (RFA).

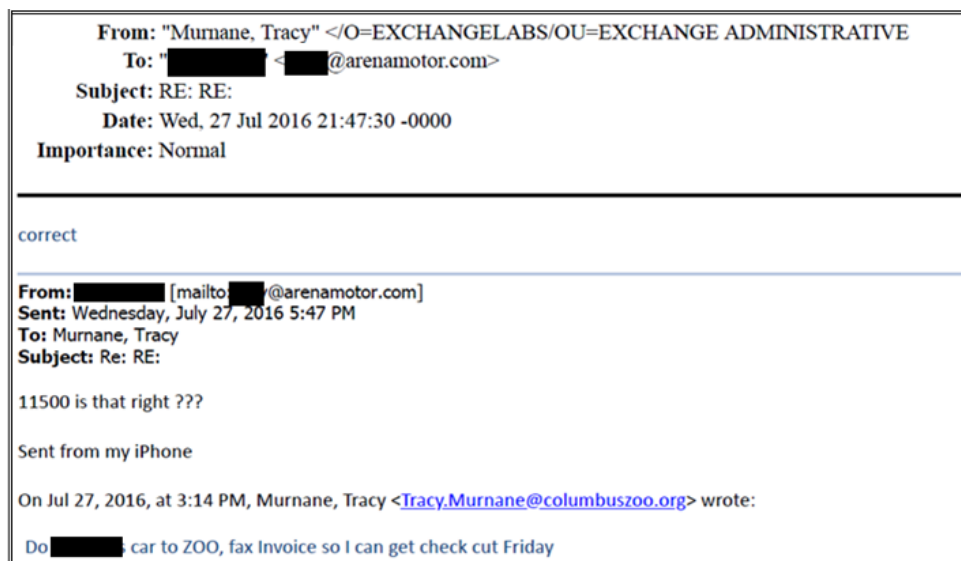
RESULTS

Vehicle Sales Fraud

Mr. Murnane maintained control of purchasing vehicles for the Zoo/The Wilds' fleets. While examining the fleet lists and payments associated with the vehicles described in Objective 5 of this report, we discovered a significant number of vehicles were purchased by the Zoo from Arena Motor Sales (AMS). AMS is a local classic car dealer located in Columbus, owned by the Arena family. Notably, the Arena family also owns Arena Produce, which was the Zoo's main produce vendor for over 20 years. We also noted a high volume of check deposits from AMS into the personal checking account of Mr. Murnane. Further investigation uncovered a series of schemes involving vehicles sold to the Zoo, as well as vehicle sales not related to the Zoo, which are outlined below.

Sale of Mr. Murnane's Personal Vehicles to the Zoo

When following the financial flow of transactions and vehicle title transfers, it appeared Mr. Murnane and two of his immediate family members (his wife and son) were paid by AMS for vehicles sold to the Zoo. A total of five vehicles were sold to the Zoo and The Wilds in this manner. Two of the vehicles, a 2013 Ford Escape and a 2014 Ford Fusion, were owned and titled to Mr. Murnane's son. The vehicle titles were quickly transferred to AMS and then sold to the Zoo/The Wilds within mere days. Immediately after payment was remitted to AMS by the Zoo/The Wilds, a check was then remitted to Mr. Murnane's son by AMS. No profit was made by AMS as the check amounts from the Zoo/The Wilds and subsequent payment was the same. In a proffer session with the owner of AMS, he advised all financial transactions were completed at the explicit direction of Mr. Murnane. Emails between Mr. Murnane and AMS discovered by SIU corroborated this statement. An example email is below:



SUPPLEMENT TO THE FRAUD EXAMINATION REPORT

This same scheme was perpetuated with two vehicles resulting in payments from AMS to Mrs. Murnane and one resulting in a payment to Mr. Murnane. It is believed Mr. Murnane concealed the true ownership of these five vehicles since receiving a profit for each of these sales was prohibited by Zoo policy, Professional Ethics – Outside Directorships and Investments.

In total, we found five vehicles sold to the Zoo/The Wilds where true ownership was concealed, using AMS as a “straw man.” The Zoo/The Wilds paid a total of \$41,100.00 to AMS for these vehicles with sales occurring between February 17, 2015 and October 31, 2018. AMS paid the Murnane family a total of \$39,157.00 and the profit to AMS was \$1,943.00.

Vehicle Title Skipping

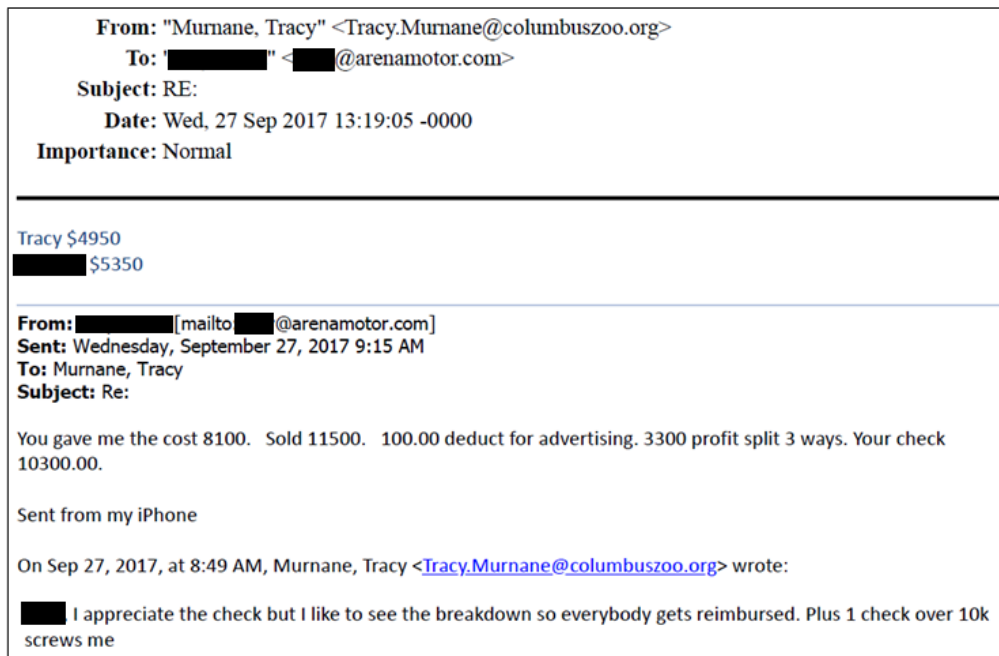
There was a high volume of checks from AMS to both Mr. Murnane and his son that did not appear to have any connection to the Zoo. As with the above-described vehicles, we obtained the supporting documentation from AMS’ internal accounting software as well as the pertinent vehicle titles from the Delaware County Clerk of Courts. We found payments made to the Murnane’s from AMS were associated with numerous classic “muscle” cars, such as Ford Mustangs and Chevrolet Corvettes from the 1960s and 1970s. Despite the Murnane’s receiving payments from AMS associated with the sale of these vehicles to private owners, neither of their names ever appeared on the titles as previous owners. Furthermore, the backside of the titles depicting the sale details were in handwriting that appeared consistent with that belonging to Mr. Murnane. The title chains for these classic muscle cars were as follows:

1. Title transfer from original, private seller to AMS, thereby skipping the Murnane’s.
2. Title transfer from AMS to the new buyer.

During an interview and proffer with the owner of AMS, he advised neither Mr. Murnane nor his son were ever employees or contractors of AMS. He stated Mr. Murnane would purchase vehicles from private sellers, then bring the vehicles to the AMS showroom to be photographed, marketed, and sold by AMS. He confirmed the titles were signed by the previous owner and the buyer portion would “usually not” be filled out. He further stated many of the titles were not notarized at the time of purchase by Mr. Murnane, so Mr. Murnane would bring the title to AMS and the owner of AMS would subsequently notarize it and list AMS as the buyer. This practice is commonly referred to as “jumping title” or “title skipping” and is done for the purpose of avoiding the payment of sales tax by the buyer.

When the vehicles were sold to the new buyer, Mr. Murnane would direct AMS how to split the profits between AMS, his son and himself. We asked the owner of AMS why Mr. Murnane wanted a portion to be paid to his son. The owner of AMS stated he did not question Mr. Murnane on this due to Mr. Murnane’s position of power at the Zoo and the fact that Arena Produce was a longtime Zoo vendor. AMS never definitively knew the price Mr. Murnane paid for these vehicles when he purchased them from private sellers, only the amount Mr. Murnane claimed to have paid. An example email correspondence between Mr. Murnane and the owner of AMS illustrates how Mr. Murnane dictated the breakout of profit checks:

SUPPLEMENT TO THE FRAUD EXAMINATION REPORT



The review of these classic and muscle car purchases and sales, for activity occurring between March 13, 2015 through March 24, 2021, found the following:

- Seventy vehicles were purchased by Mr. Murnane where the title was skipped/jumped and titled directly into the name of AMS in lieu of Mr. Murnane.
- \$322,558.15 in check payments associated with these vehicles paid to Mr. Murnane by AMS.
- \$202,299.19 in check payments associated with these vehicles paid to Mr. Murnane's son by AMS.
- Two check payments totaling \$12,386.00 associated with these vehicles paid to Mr. Murnane's wife.

We obtained the Murnane family's tax filings via court order and found Mr. Murnane's true income related to vehicle resales far exceeded any claimed income for tax years 2015 through 2020.

Trade-In of Mr. Stalf's Truck

In 2012, Mr. Stalf personally purchased a 2006 Chevrolet Silverado. Via a series of transactions where true ownership was concealed, Mr. Stalf purchased a 2011 Chevrolet Silverado, and his 2006 model was subsequently sold to The Wilds. Both transactions occurred on January 4, 2016.

SIU located an email where Mr. Stalf selected the 2011 model from the Columbus Fair Auto Auction, a dealer-only auction located in Columbus. Because Mr. Stalf did not hold a dealer's license, the truck was bid on by Mr. Murnane, as AMS permitted him to act as an authorized bidder at dealer auctions to purchase vehicles for the Zoo and The Wilds. When Mr. Stalf needed to pay AMS for the 2011 model (purchase price of \$12,500.00 plus \$875.00 sales tax), he did not remit a check for this amount. Mr. Stalf instead remitted a check to AMS for \$5,375.00. On the invoice from AMS, Mr. Stalf was given an \$8,000.00 "trade-in allowance" for his 2006 truck. The date of this invoice is January 4, 2016. The 2006 truck was sold to The Wilds by AMS on the very same day for \$8,500.00. Due to this arrangement, Mr. Stalf's name did not appear on the title when it was sold to The Wilds.

When interviewed, the owner of AMS stated the entire deal was "contrived" by Mr. Murnane and Mr. Stalf and all he (the owner of AMS) did was the paperwork. The owner of AMS was asked if he ever actually viewed the 2006 Chevrolet sold by Mr. Stalf and the owner of AMS was unsure. As a result, its true value is unknown, and it is unclear whether it was sold to The Wilds at a fair market price. Because the Zoo employee handbook prohibits this conduct, Professional Ethics – Outside Directorships and Investments, it is believed Mr. Stalf utilized AMS to quickly take title of his 2006 truck in order to sell it to The Wilds as the Zoo's Finance Department would be unable to/prohibited from issuing a payment to Mr. Stalf.

SUPPLEMENT TO THE FRAUD EXAMINATION REPORT

Unreported Incentive Travel

As Director of Marketing, Mr. Fingerhut allocated a substantial portion of the Zoo's advertising dollars to The Columbus Dispatch (Dispatch Media Group)/WBNS. The Dispatch Media Group/WBNS offered "incentive travel" packages to their customers who met a certain spending threshold each year. The Zoo, via Mr. Fingerhut's allocation of advertising dollars, qualified for these trips in 2015, 2016, 2017, and 2019, which he attended along with his wife. Mr. Stalf also attended in 2016. The trips were as follows:

- 2015: "Melodies of the Danube" – river cruise to Hungary, Austria, and Germany with a value of \$8,525.00 per person.
- 2016: "Endless Wonder of New Zealand" – nine-day trip to Auckland and Queenstown, New Zealand with a value of \$12,735.00 per person.
- 2017: "Wildly Sophisticated" – nine-day trip to the Galapagos Islands with a value of \$13,000.00 per person.
- 2019: "Swiss Fantasies and Italian Dreams" – nine-day trip to Switzerland and Lake Como, Italy with a value of \$12,500.00 per person.

Letters were provided to the Zoo from the Dispatch Media Group/WBNS stating the value of the trips for tax reporting purposes. SIU obtained copies of both Mr. Stalf's and Mr. Fingerhut's state and federal tax filings and found neither claimed the travel as required.

Email discussions reference these incentive trips in relation to the Zoo's advertising dollars, as illustrated below.

From: Fingerhut, Pete [<mailto:Pete.Fingerhut@columbuszoo.org>]
Sent: Tuesday, December 29, 2015 3:40 PM
To: [REDACTED]
Subject: budgeting

[REDACTED], when does the new year start for you all? If it is this week then I may have some additional dollars for you ☺
can you send over my goal to hit for you know what? I need to start planning. Pete

From: "Stalf, Tom" <Tom.Stalf@columbuszoo.org>
To: "Fingerhut, Pete" <Pete.Fingerhut@columbuszoo.org>
Subject: Galapagos
Date: Fri, 31 Mar 2017 10:15:42 +0000
Importance: Normal

So about sending reply all to that email. I want you to know that I am unavailable to go on the WBNS trip so don't spend more money to cover us all. That is the same time that I am hosted a zoo trip. What I thought we should do is hold off this year to save for this new idea that [REDACTED] presented. I like the idea but I'm not sure where we will find the money.

Tom Stalf, Lead and inspire by connecting people and wildlife.
Columbus Zoo and the Wilds

SUPPLEMENT TO THE FRAUD EXAMINATION REPORT

Conflict of Interest for Rental Properties

Immediate family members of Zoo executives rented two Zoo-owned homes at significantly below fair market value. Comparable fair market value calculations were obtained from a real estate analysis performed by a third party.

Rental A, Dublin, Ohio

This single-family home is a three bedroom, two bath, 1,336 square foot ranch located in a subdivision. The property was bequeathed to the Zoo by a benefactor. This home was rented to Mr. Stalf's in-laws from April 2014 to October 2020 for \$900.00 per month. Average fair market value for rent of comparable properties ranged from \$1,394.54 in 2014 to \$1,675.75 in 2020, resulting in a loss of \$50,015.90 to the Zoo, as they only received \$71,100.00 in rent payments.

Mr. Stalf claimed his father-in-law completed numerous repairs on the property; however, witness interviews clarified a vast majority of renovations and repairs were performed by professional contractors (paid by the Zoo). One witness advised his late father's construction company completed extensive renovations on the home and subsequently provided SIU with the associated invoices, which were matched to payments from the Zoo's general ledger. The witness also noted Mr. Stalf's father-in-law was an elderly gentleman who required a walker.

Work completed by a contractor included removal and installation of drywall, installing floor trim and baseboards, removal and installation of doors, electrical work, removal of old gutter guards, repairs to a storage shed, replumbing of sinks, removal and installation of vanities, and numerous other projects. Furthermore, SIU found payments from the Zoo for professional landscaping, new kitchen cabinetry, appliances, and even the monthly utilities for the property.

Rental B, Powell, Ohio

Located just minutes from the Zoo itself, this residence is a 1,344 square foot, three bedroom, one and half bath ranch home donated to the Zoo by benefactors. Mr. Bell permitted his adult daughter and her friend to rent the home from September 2017 through April 2021, shortly after the 2021 news article that kicked off our investigation. The lessee was listed as Mr. Bell's daughter's friend, despite the rent payments being made by his daughter. The young women were charged \$800.00 per month for rent and utility payments were paid by the Zoo. Average fair market value for rent of comparable properties ranged from \$1,438.51 in 2017 to \$1,625.92 in 2021, resulting in a loss to the Zoo of \$31,305.35, as they only received \$34,400.00 in rent payments.

In Mr. Bell's June 22, 2023 proffer session, he admitted the Zoo did not advertise this rental to the general public and acknowledged the monthly rental fee was significantly lower than market value for a home located in the geographic area.

SIU also interviewed numerous current and former Zoo Board members; none of whom were aware the Zoo owned any rental properties until the news inquiry of 2021.

Improper Use of Ticketing Contracts

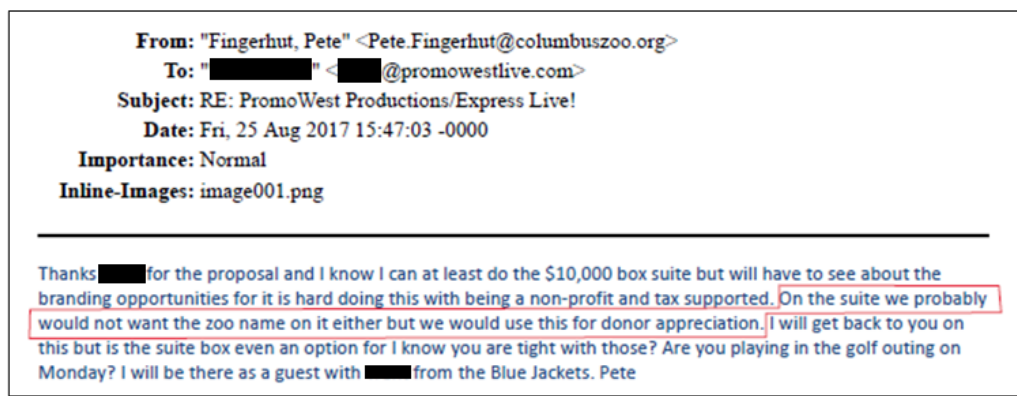
PromoWest Productions (PromoWest) offers four different concert venues in Columbus: Express Live, Newport Music Hall, The Basement, and A&R Music Bar. The Zoo entered into two contracts with PromoWest during calendar years 2017, 2018, and 2019. All contracts were negotiated and signed by Mr. Fingerhut even though his Zoo signing limit was only up to \$10,000.00.

The first contract, effective September 1, 2017 through October 31, 2018, included four seats to every outdoor concert at Express Live in a VIP box, costing \$10,000.00, as well as a \$10,000.00 flex ticket bank. The ticket bank allowed additional tickets to be purchased, and the cost would be deducted from said bank. The second contract, effective April 30, 2019 through October 31, 2019, also included four seats to every outdoor concert at Express Live in a VIP box, costing \$12,000.00, as well as a \$2,000.00 ticket bank. The total cost of both contracts paid by the Zoo was \$34,000.00.

SUPPLEMENT TO THE FRAUD EXAMINATION REPORT

Despite no advertising for the Zoo occurring at any of the concert venues, Mr. Fingerhut requested PromoWest invoice the contracts as “Advertising Campaign” and instructed all tickets be mailed to his personal residence rather than to the Zoo. After the 2018 special audit where the Zoo Board ordered all season ticket packages to be sold, Mr. Fingerhut still negotiated and signed the second PromoWest contract but personally modified the contract language. Despite the new contract still including the VIP seats to each outdoor concert, Mr. Fingerhut changed Section 1 of the contract language from “Box Suite Ticket Holder Benefits and Privileges” to “Advertiser Benefits and Privileges.” Again, no Zoo advertising occurred yet Mr. Fingerhut requested the second contract be invoiced by PromoWest as “Marketing and Advertising Expense.”

Emails located by SIU found Mr. Fingerhut was in sole control of the tickets. Mr. Fingerhut further requested the Zoo’s name not be listed on the VIP table signage, as depicted below.



No evidence of any Zoo donor attendance could be located; however, Mr. Fingerhut’s emails did show concerts were attended by himself, his wife, their friends, Mr. and Mrs. Stalf, and the children of Mr. Bell. As with the other season ticket packages, employees from the Zoo’s Philanthropy Department were unaware of the tickets.

Fraudulent Advertising Expenditures

DIF



DIF is an annual three-day festival in Dublin, Ohio occurring the first weekend in August. The mission of the festival is to “produce an internationally recognized event that promotes Irish music, dance, culture, and tradition.” The Zoo paid invoices from the DIF for years 2014 through 2020; however, it was not clear what benefit the Zoo was receiving from the DIF in exchange for these payments. The City of Dublin (City) provided copies of all invoices sent to Mr. Fingerhut as well as historical brochures showing detailed explanations of items and packages available for purchase.

The City’s Events Director advised SIU Mr. Fingerhut requested DIF invoices state “Promotional and Advertising Support” despite no advertising purchased by the Zoo. Instead, what was purchased included access to the DIF’s VIP clubs known as the Emerald Club, Dub Club, and Celtic Rock Club, in addition to admission tickets, drink tokens, and whiskey tasting tickets.

In Mr. Fingerhut’s initial proffer on May 2, 2023, he advised SIU his “objective (with the DIF) was to get the Zoo’s name out there.” The City provided SIU with various photos of Mr. Fingerhut in the VIP areas at the DIF for years 2016, 2017, and 2018. In the photos, Mr. Fingerhut is wearing a DIF polo shirt but nothing to indicate he is there representing the Zoo. Furthermore, SIU located emails from Mr. Fingerhut to DIF staff requesting the Zoo’s name not be published on their purchased VIP tables and the alias of “Murphy Family” was instead chosen.

SUPPLEMENT TO THE FRAUD EXAMINATION REPORT

After the 2018 special audit, Mr. Fingerhut routed the DIF invoices to the Zoo's advertising agency, RFA, who would then invoice the Zoo, in lieu of sending them to the Zoo's Finance Department for payment. However, we identified three invoices (December 11, 2017 totaling \$10,630.00, December 10, 2018 totaling \$6,000.00, and December 2, 2019 totaling \$5,400.00) forwarded via email from Mr. Fingerhut to RFA that did not match the invoice sent to Mr. Fingerhut from the DIF. The invoices emailed from the DIF to Mr. Fingerhut were in full color and included details of the purchase. For the invoices Mr. Fingerhut scanned and sent to RFA, the totals agreed; however, the invoices were no longer in color but were black and white and vague with descriptions. The 2018 invoice examples are below:

| Original | Altered |
|---|--|
|  |  |
| Invoice# 12102018-1 12/10/2018 | Invoice# 12102018-1 12/10/2018 |
| From: Dublin Irish Festival 6555 Shier Rings Rd. Dublin, OH 43016 | From: Dublin Irish Festival 6555 Shier Rings Rd. Dublin, OH 43016 |
| To: Pete Fingerhut [REDACTED] | To: Pete Fingerhut [REDACTED] |
| For: 2019 Dublin Irish Festival Promotional / Advertising Support Emerald Club \$ \$1,950.00 Celtic Rock Club (Fri) 20 \$1,500.00 Celtic Rock Club (Sat) 20 \$1,500.00 Dub Club (Sun) \$ \$ 520.00 Beverage Tokens 265 \$ 530.00 | For: 2019 Dublin Irish Festival Promotional / Advertising Support |
| Total \$ 6,000.00 | Total \$ 6,000.00 |
| Due: Upon Receipt | Due: Upon Receipt |

Additionally, Mr. Fingerhut purchased a brick paver stone for \$300.00 available to all past DIF honorary chairs (Mr. Fingerhut served in this capacity in 2015). Mr. Fingerhut purchased this stone using his Zoo issued credit card, and it was subsequently engraved with the names of himself, his wife, and son. On Mr. Fingerhut's Zoo Form, he claimed this purchase was for "Membership" to the DIF.

In all, the Zoo paid a total of \$44,232.00⁵ to the DIF. In the words of the City's Events Director, Mr. Fingerhut appeared to treat the DIF as "his personal recreation." It was not until Mr. Fingerhut's second proffer on July 19, 2024, when he finally confirmed no Zoo business was conducted at the festival and the purchased tables and VIP tickets were solely for personal use. Mr. Fingerhut further stated Mr. Stalf was aware of this and used the VIP tables too.

RFA

RFA was the advertising agency used by the Zoo from 2008 through 2021. RFA's services to the Zoo included a dedicated account executive, strategy, creative services, media services (negotiations, reconciliations), enhancements, and optimizations (TV, print, billboard, digital media, internet). The President of RFA advised the Zoo account was not lucrative in terms of direct revenue for his agency, but it was considered the crown jewel of Ohio for the prestige, opportunities for creativity, and networking. Over

⁵ This amount does not include the \$300.00 paid to the DIF for the brick paver stone as this amount is already accounted for in the Objective 1 Credit Card Disbursement section.

SUPPLEMENT TO THE FRAUD EXAMINATION REPORT

the years, RFA was nationally recognized and awarded for television commercials the agency created and produced for the Zoo. As a result, RFA highly valued the account and engaged in activity with Mr. Fingerhut to ensure RFA kept the account secure.

Fraudulent Billing through RFA

After the 2018 special audit for the Zoo's credit card expenditures, the Zoo Board ordered the various ticket packages at both Nationwide Arena and the Schottenstein Center be sold. However, SIU located an August 28, 2018 email from Mr. Fingerhut to the Premium Ticketing office at Nationwide Arena where Mr. Fingerhut requested the CBJ invoice the Zoo's 2018-2019 loge box half season ticket package to RFA instead of the Zoo. The Premium Ticket representative initially balked at this request because RFA was not on the Zoo's account but eventually received permission from their supervisor to do so and RFA subsequently made three ACH payments totaling \$16,104.00 for the Zoo's season tickets.

In his proffer, the President of RFA advised he was approached by Mr. Fingerhut during the spring of 2018 about purchasing event tickets via "pass-through" invoicing to the Zoo. In simple terms, pass-through invoicing is where the client requests the agency to pay for something with no markup and then bills it back to the client. He noted he was not sure of the exact purpose of pass-throughs, but many clients requested them and RFA provided this service on occasion.

The President of RFA stated Mr. Fingerhut would call and email him with the specifics of what event tickets "senior management" wanted. He noted he did not find this unusual as the Zoo executives did a lot of entertaining and he was aware they regularly attended concerts. The President of RFA stated when he asked Mr. Fingerhut how he wanted RFA to invoice the Zoo for the tickets, Mr. Fingerhut advised he wanted the cost of the tickets merged with RFA's monthly billing for legitimate services rendered. The President of RFA stated he told Mr. Fingerhut this was not a pass-through but both Mr. Fingerhut and Mr. Bell confirmed they wanted the tickets invoiced this way, with no reference to tickets on the invoices that would be viewed by the Zoo's Finance Department. The President of RFA advised at the time he trusted Zoo leadership, so he purchased the tickets they requested and invoiced the Zoo as directed.

The President of RFA provided examples of how Mr. Fingerhut requested the cost of the tickets be billed back to the Zoo. Those invoices are titled "Media Expenses", "Zoombezi Bay media", "TV media job", etc. He also provided support from RFA's credit card statement showing all ticket purchases and associated suite catering made for Zoo executives along with the associated invoice billed to the Zoo. SIU located the Ticketmaster e-ticket transfers from RFA to Mr. Bell where Mr. Bell accepted the tickets. Concerts and events with tickets purchased by RFA, but then subsequently used by Mr. Bell and his children, Mr. Stalf, and Mr. Fingerhut include, but are not limited to:


- CBJ loge box season tickets
- Phil Collins
- Elton John
- Twenty One Pilots
- Aladdin
- Blink 182 and Lil Wayne
- Fleetwood Mac
- Taylor Swift
- Harlem Globetrotters
- Ariana Grande
- Toby Keith
- Stanley Cup playoffs
- KISS
- Cleveland Cavaliers

Tickets paid for by RFA and then fraudulently billed to the Zoo at the request of Mr. Fingerhut and Mr. Bell totaled \$65,276.66.

Additionally, Mr. Fingerhut received an invoice from the CBJ on July 22, 2019 totaling \$46,704.00 for season tickets. On July 24, 2019, Mr. Fingerhut emails an RFA account executive and instructs them to pay the invoice in full. Mr. Fingerhut tells them to list the invoice under "Summer Media Campaign" when completing the pass-through invoice to the Zoo. The invoice attached to the email from Mr. Fingerhut to RFA, however, is different than the original invoice sent from the CBJ and has clearly been altered. The invoice is now titled "Invoice Information" and all references to the loge box seats are missing. In an April 25, 2023 proffer with the RFA account executive, SIU presented the legitimate invoice from the CBJ versus the one Mr. Fingerhut emailed to him with a request to pay. The RFA account executive appeared to be in

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disbelief at being provided with a falsified invoice by Mr. Fingerhut. Examples of the two invoices are as follows:



**2019-20 Columbus Blue Jackets
Loge Box Invoice**


Columbus Zoo and Aquarium
Pete Fingerhut
9990 Riverside Dr.
Powell, OH 43065-9606

ORIGINAL

| | |
|---------------------|--|
| Date: June 1, 2019 | |
| Account #: 7846082 | |
| Due Date: 6/30/2019 | |
| Tax ID: 31-1579973 | |

Loge Box Information

| Description | Suite | Row | Seat(s) | Subtotal |
|------------------------------------|-------|-----|---------|--------------------|
| 2019-20 Full Season | 115L | C | 1 - 4 | \$30,600.00 |
| 2019-20 Half Season | 115L | C | 5 - 8 | \$16,104.00 |
| Total Cost | | | | \$46,704.00 |
| Less Payments & Credits | | | | \$0.00 |
| Total Balance | | | | \$46,704.00 |



2019-20 Columbus Blue Jackets

Columbus Zoo and Aquarium
Pete Fingerhut
9990 Riverside Dr.
Powell, OH 43065-9606

ALTERED

| | |
|---------------------|--|
| Date: June 1, 2019 | |
| Account #: 7846082 | |
| Due Date: 6/30/2019 | |
| Tax ID: 31-1579973 | |

Invoice Information

| Description | Item | Subtotal |
|------------------------------------|-------------------------|--------------------|
| 2019-20 Season | CBJ Promotional Support | \$46,704.00 |
| Total Cost | | \$46,704.00 |
| Less Payments & Credits | | \$0.00 |
| Total Balance | | \$46,704.00 |

Because RFA treated this as a pass-through per Mr. Fingerhut's request, a RFA invoice was subsequently sent to the Zoo from RFA in the amount of \$46,704.00. The Zoo Controller takes note of the RFA invoice labeled as "June CBJ Promotional Support (OT)." On August 2, 2019, the Zoo Controller emailed this RFA invoice to Mr. Stalf with the message, "Also attached (page 2) is a new advertising charge for CBJ that we haven't paid in the past. Thought you should be aware of that one." Although it is unclear what transpires next between Mr. Stalf, Mr. Bell, and the Zoo Controller, Mr. Fingerhut emails the RFA account executive on August 6, 2019 and states, "that one invoice I gave you to pay please don't pay it. It will have to be paid from the office here. It was CBJ promotional support. Thanks. Pete."

On September 25, 2019, the Zoo Controller emails Mr. Stalf again, but this time after she discovered the true purpose of the purchase (loge box seats), to which Mr. Stalf only replies with, "I will sell all of them." As shown below, this email occurred after the 2018 special audit when the Zoo Board already ordered all ticket packages to be sold. AOS was able to confirm the invoice was in fact paid by the Zoo and the tickets were subsequently sold.

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From: "Tom.Stalf@columbuszoo.org" <Tom.Stalf@columbuszoo.org>

To: "[REDACTED]" <[REDACTED]@columbuszoo.org>

Subject: Re: Columbus Zoo / CBJ

Date: Wed, 25 Sep 2019 14:58:25 -0400

Importance: Normal

I will sell all of them

Tom Stalf. Columbus Zoo and the Wilds

On Sep 25, 2019, at 2:37 PM, [REDACTED]@columbuszoo.org wrote:

Well, hold on. They didn't invoice us the contract amount. The difference is \$46,704. I'm not sure if there was a verbal change to the contract that was asked for or if they will send another invoice. I can ask the Blue Jackets so we know what's going on.

On Sep 25, 2019, at 1:22 PM, [REDACTED]@columbuszoo.org wrote:

Tom

As I suspected, the invoice states that it is just for the 6 seats in the loge box but the 4 seats on the glass are listed in exhibit A as "additional benefits" so we essentially don't pay for them. Interesting deal that Pete worked out for himself. So if Fine Line/Twins pays the invoice for the loge that will cover all of our cost. Technically you could give the other 4 seats away to donors, employees, raffles, whatever you want. They were "free".

The contract is attached.

In his initial proffer, SIU asked Mr. Fingerhut if he ever altered any invoices. Mr. Fingerhut first replied, "Did I change them? No. I don't remember changing them." When pressed, Mr. Fingerhut then stated he did in fact change them by "probably" whitening words out and replaced the text with newly printed "promotional support." Mr. Fingerhut claimed he did this "because Greg Bell wanted it that way. He wanted to know it was a marketing program and that it was promotional support."

In Mr. Bell's proffer, he recalled a time when he walked into Mr. Fingerhut's office and found "little slivers" of paper spread out on his desk. Mr. Bell stated Mr. Fingerhut had printed out the words "promotional expense" in numerous fonts and had cut them into slivers in an attempt to match the font on the CBJ invoices. Mr. Bell stated Mr. Fingerhut was covering the wording on the invoice stating what was truly being billed with his own words. Mr. Bell stated he told Mr. Fingerhut, "Pete, you can't do that!" to which Mr. Fingerhut replied, "It's no big deal." Mr. Bell stated he made Mr. Stalf aware but, "as long as he (Mr. Stalf) was getting his allotment of tickets, he didn't care."

Mr. Fingerhut's Hawaii and Germany Trips

In his proffer, the President of RFA described a situation arranged between his late father (previous President of RFA) and Mr. Fingerhut involving a trip to Hawaii in March 2013 (March 22, 2013 through March 29, 2013). In this instance, RFA paid for Mr. Fingerhut, his wife, and their son's airfare, resort, and hotel in both Honolulu and Maui. This vacation was not Zoo-related in any fashion and was a vacation for the Fingerhut family paid for by RFA. The total value of the trip was \$11,314.55 as follows:

- Airfare on US Airways, totaling \$7,454.07.
- Marriott Hotel (Maui) totaling \$1,887.26.
- Royal Hawaiian (Honolulu) totaling \$1,973.22.

RFA's credit card statements support these expenditures and SIU obtained photos posted to Mrs. Fingerhut's Facebook account of the Fingerhut's in Hawaii during this timeframe. Although the President of RFA was unsure how this transaction was initiated, he believes Mr. Fingerhut requested it of his late father. He stated Mr. Fingerhut instructed RFA to bill the cost of the trip back to the Zoo under an invoice bearing

SUPPLEMENT TO THE FRAUD EXAMINATION REPORT

a description of "Columbus Zoo – Television Production" for \$10,000.00, which was provided to SIU by the President of RFA.

In addition to the Hawaii trip, the President of RFA also described a trip to Germany in October 2013 for Mr. and Mrs. Fingerhut, as well as four RFA employees including himself, for the purpose of touring the Berlin Zoo at the request of Jack Hanna⁶ (per Mr. Fingerhut). According to the President of RFA, once in Germany, Mr. Fingerhut did not want to go to the Berlin Zoo but finally did after the RFA President insisted they go. He further stated no one from the Berlin Zoo greeted the party, as expected, for an official tour, but instead the party had to pay for their own admission to the Zoo and walk the grounds themselves. Similar to the Hawaii trip, RFA paid for the flights of the Fingerhut's and also the hotels, food, transportation, and billable hours totaling \$19,695.60. Again, the President of RFA stated Mr. Fingerhut instructed RFA to bill the cost of the trip back to the Zoo under invoices bearing the descriptions "Zoombezi Bay – Additional Year End Media" and "Zoombezi Bay – Group Sales Media" totaling \$20,000.00.

In September 2013, Mrs. Fingerhut received an email from a friend who provided a detailed list of things to do or see in Germany. A day after receiving this email, Mrs. Fingerhut forwarded the email to Mr. Fingerhut and asked him to print the email. The President of RFA advised he believed Mr. Fingerhut simply wanted to go to Germany and there was no actual associated business purpose.

Mrs. Fingerhut's Birthday Party

SIU located numerous documents pertaining to the planning and execution of Mrs. Fingerhut's surprise 40th birthday party held at Scioto Reserve Country Club (Wedgewood sister club) on November 4, 2016. Several of the documents are emails between Mr. Fingerhut and staff at Scioto Reserve Country Club where the number of guests (50-60 people), entertainment, food and alcohol selections are discussed. Two days after the party, Scioto Reserve Country Club emailed the food and alcohol final receipt in the amount of \$4,529.84, which was charged to the credit card of RFA.

In his proffer, the President of RFA advised RFA recently finished an extremely expensive television commercial production/shoot starring Jack Hanna and numerous other Zoo employees. Due to interest in the commercial, it grew from a two-day shoot into a four or five-day shoot, increasing the production cost by approximately \$50,000.00.

According to the President of RFA, Jack Hanna inquired with him about how RFA was doing, to which he explained how the current production was over budget. Jack Hanna indicated he would speak to Mr. Bell about providing additional Zoo funds for the additional costs incurred by RFA. Soon after, Mr. Fingerhut informed him the Zoo would pay an additional \$50,000.00 to RFA for the production; however, the President of RFA claimed RFA was still losing money on the production but was grateful to receive the additional funds.

The President of RFA stated it was a few weeks later when he received a call from Mr. Fingerhut, stating he wanted to throw a surprise birthday party for his wife at Scioto Reserve Country Club and asked if RFA would assist in the planning. While this is outside their normal conduct of business, RFA agreed to do it as a service and favor to his client. He indicated RFA assisted in the booking and planning of the party, including the hiring of the band, the menu, the contracting of a caricature artist to draw a depiction of Mrs. Fingerhut, the cake, etc.

According to the President of RFA, Mr. Fingerhut tried to position the party as if it was "more of a Zoo event rather than a birthday party, a combination of Zoo and birthday party in one." However, in all email communications between Mr. Fingerhut and Scioto Reserve Country Club staff, there is no mention whatsoever of it being a Zoo party, but rather only a surprise birthday party.

The President of RFA stated when it was time to remit payment to the vendors, Mr. Fingerhut instructed him to use funds from the \$50,000.00 commercial production to pay for the party in lieu of Mr. Fingerhut

⁶ Jack Hanna served as the Zoo Director from 1978 to 1992 before becoming Director Emeritus. Mr. Hanna retired from the Zoo on December 31, 2020.

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paying for it himself. He was extremely angry about this and when he asked Mr. Bell if he and the Zoo Board approved RFA paying for this, the President of RFA stated Mr. Bell told him, "When I tell you something is authorized, it is authorized. You stay in your lane, and I'll stay in my lane. You do the commercials, and I'll run the budget."

The President of RFA advised the birthday party cost RFA approximately \$7,500.00. This is the same weekend where Mr. Fingerhut used the Zoo's barter account to rent a party bus for the previous evening's bar hop.

Bribery/Extortion of RFA

Mr. Fingerhut directly facilitated the Zoo's business relationship with RFA. The President of RFA stated it was between 2009 and 2011 when Mr. Fingerhut began "twisting the arm" of his father for gifts, such as VISA gift cards. He advised it was in late 2018 when Mr. Fingerhut approached him and stated the Zoo's "senior management" was thinking of doing an agency review to see what other agencies are "out there". He stated he was shocked as RFA just won a significant award for a television commercial they produced for the Zoo.

When the President of RFA pressed Mr. Fingerhut for the reason, he advised Mr. Fingerhut stated, "Greg [Bell] and I want to go to bat for you, but you have to make it worth it for us to do that." The President of RFA stated he did not understand what Mr. Fingerhut was trying to say, but Mr. Fingerhut then stated, "Well, we are thinking \$10,000.00." He advised he brought Mr. Fingerhut's proposition to his brother and Senior Vice President of RFA who was furious and called it "[*expletive*] extortion" but ultimately, they agreed. RFA issued \$5,000.00 checks to both the President and Senior Vice President of RFA to pay for this, under the guise of a holiday bonus. The President of RFA advised they went to the bank, withdrew \$10,000.00 and then met Mr. Fingerhut at Chipotle Mexican Grill where Mr. Fingerhut retrieved the cash from the glovebox of his vehicle. After Mr. Fingerhut had the cash, the three men went inside and had lunch.

The same demand was made by Mr. Fingerhut the following year and the same process transpired, except this time they met at Hella's restaurant in Shawnee Hills to exchange the money and then eat lunch.

SIU uncovered a series of records to support this, as follows:

| | Bribe 1 | Bribe 2 |
|---|---|--|
| Date Paid | 1/29/2019 | 1/15/2020 |
| RFA Bank Withdrawal | \$10,000.00 @ 12:53pm on Polaris Pkwy | \$5,000.00 (x2) @ 10:47am & 10:51am on W. Powell Rd. |
| The Exchange | Chipotle on Polaris Pkwy @ 1:04pm | Hella's on Dublin Rd @ 1:11pm (after eating) |
| Mr. Fingerhut's Calendar Appointment | "Agency - Chipola in Polaris" from 12:30-2:30pm | "Lunch with [REDACTED]" from 12:00-2:00pm |
| Food Reimbursement | Chipotle receipt and Form. "Production Meeting" with reference to RFA | Hella's receipt and Form. "Agency Meeting" with reference to RFA |

In Mr. Fingerhut's initial proffer, he denied ever accepting cash from a Zoo vendor. However, in his second proffer over one year later, Mr. Fingerhut confirmed he did receive \$20,000.00 in cash, but he explained a different version of events. Mr. Fingerhut stated the President of RFA was "always asking for money" and recalled a specific time when RFA needed an additional \$30,000.00 for production service. Mr. Fingerhut stated RFA told him if he could get the Zoo to agree to the additional funds, RFA would give Mr. Fingerhut \$10,000.00 of it and Mr. Fingerhut agreed. Mr. Fingerhut stated this happened twice, two years in a row.

APPENDIX

MANAGEMENT RECOMMENDATIONS



APPENDIX

MANAGEMENT RECOMMENDATIONS

Oversight by those Charged with Governance

Ohio Rev. Code § 1716.17, states every person who solicits, collects, or expends contributions on behalf of a charitable organization or for a charitable purpose, or who conducts a charitable sales promotion, and every officer, director, trustee, or employee of that person who is concerned with the solicitation, collection, or expenditure of those contributions shall be considered a fiduciary and as acting in a fiduciary capacity.

Memorandum of Agreement by and Among the Board of County Commissioners of Franklin County, Ohio, the Columbus Zoological Park Association and the City of Columbus, Ohio, states in part, the Zoo shall submit a detailed annual operating and capital budget to the Franklin County Commissioners for the appropriate levy funds. The Zoo shall expend any taxpayer funds provided to the Zoo based on this Agreement solely for the provision and maintenance of zoological park services and facilities at the Zoo. Finally, an appointed Zoo Board shall have the power to authorize the expenditure of levy funds provided to the Zoo.

The governing body plays a critical role in ensuring the Zoo establishes and maintains effective internal controls. During the Period under review, the Zoo was governed by a Board responsible for overseeing financial and operational activities to ensure alignment with organizational objectives and policies. However, the Board's ability to exercise effective oversight was significantly hindered by executive concealment of key financial information. Zoo executives provided incomplete or misleading financial reports, limiting the Board's visibility into financial activities and contractual obligations. This lack of transparency contributed to gaps in oversight, allowing unauthorized expenditures and policy violations to occur undetected.

We noted the Zoo Board lacked knowledge of the 17 ticketing agreements with the CBJ, OSU, and PromoWest as well as the Zoo properties rented by Zoo executive family members because of concealment by Zoo executives due to the extensive efforts referenced above.

While the Zoo Board took some steps in 2018 to enhance controls – such as implementing additional credit card usage requirements and prohibiting ticketing agreements – these measures were not effective. Zoo executives actively circumvented Board directives by using pass-through invoicing with their advertising agency, lying on the Forms, falsifying and altering documentation, among other acts of deception. The Zoo executives did not respect the directives given by the Zoo's Board, and while the tone at the top begins with the Zoo executives and management, the Zoo Board also plays an important role, including ensuring the Zoo's compliance with legal and ethical standards. An overall lack of professionalism, accountability and transparency by Zoo executives unmitigated by the Zoo's Board fostered an atmosphere where executive leadership could collude and conceal fraudulent activity.

The governance structure also presented inherent challenges to effective oversight. The Board was responsible for hiring the CEO, while the CEO retained authority to hire and oversee the CFO. This reporting structure intentionally limited direct Board oversight of key financial leadership, reducing an important safeguard against executive fraud and collusion. A structure in which both the CEO and CFO independently report to the Board would strengthen accountability and provide greater assurance over financial integrity.

While executive misconduct played a significant role in the control weaknesses observed, increased Board engagement in financial oversight must occur to mitigate similar risks in the future. Strengthening governance practices – such as enhancing financial reporting requirements, conducting regular reviews of Zoo contracts and expenditures, and ensuring enforcement of Board policies – would help safeguard the Zoo against future vulnerabilities.

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We recommend the Zoo Board actively monitor Zoo financial activity, which could include, but is not limited to the following:

- Setting the tone at the top by stressing the importance of all Zoo employees to follow and uphold the Zoo's policies and procedures.
- Establishing a Board manual which defines the expectations and responsibilities of the Board, as well as acts as a training manual for new Board members.
- Performing a review of Zoo contracts with external entities to ensure the legitimacy of all vendors and that the goods or services received by the Zoo are for a proper Zoo purpose.
- Periodically review Zoo funds and accounts for unusual expenses, especially funds and accounts that are over budget or previously had minimal activity.
- Reviewing detailed monthly bank reconciliations.
- Strengthening governance structures by considering adjustments to reporting relationships, such as direct Board oversight of both the CEO and CFO.
- Ensuring external auditors independently present their findings to the Board.
- Monitoring policies, procedures and decrees made by the Board to ensure they are properly implemented and followed.
- Consider employing a program integrity officer who reports directly to the Board and is not recommended or chosen by the CEO. Such an officer would be charged with ensuring policies are complied with, etc.

Control Environment

Control environment sets the tone of an organization, influencing the control consciousness of its people. It is the foundation for all other components of internal control, providing discipline and structure. The control environment refers to the overall attitude, awareness, and actions of directors and management regarding the internal control system and its importance to the entity. It sets the "tone at the top" and provides the foundation for other control activities.

As a result of collusion among the Zoo executives and a "rule by iron fist" management style, we noted the following issues with the control environment of the Zoo during the Period:

- Lack of detailed policies and procedures outlining the required reviews and approvals for transactions, allowing Zoo executives to manipulate approval processes so other colluders reviewed their transactions, rather than following normal processes.
- Chain of command reporting by those attempting to address concerns resulted in responses of "I'll look into it," and even reprimands of the complainants, but nothing was resolved since the fraudulent activity went all the way to the top.
- Finance Department staff noted there was a culture of fear if they spoke out.
- Dismissal of feedback from other executives and the Audit Committee, including a recommendation to request a new financial auditor, as their current auditor had been in place over thirty years. Audit standards recommend cycling of audit firms periodically to ensure objectivity and avoid potential conflicts of interest; however, the Zoo executives didn't want to risk switching firms and a new firm catching on to their schemes.
- Ineffective policies, whereas the Zoo had a non-retaliation policy, re-instated a whistleblower policy (See Something, Say Something policy) in 2017, and implemented a reporting hotline in 2018; however, some employees did not feel comfortable taking advantage of these reporting tools based on precedent set by Zoo executives.

Failure to establish an appropriate control environment hinders the ability of an organization's control structure to function properly. The Zoo's inadequate control environment allowed the Zoo executives to collude over a span of a decade without being caught.

APPENDIX

We recommend the Zoo thoroughly assess the entire financial control environment and establish a clear “tone at the top” for the organization, in order to facilitate a culture of respect and establish a strong foundation upon which to build and strengthen the Zoo’s internal controls. Such actions include establishing and testing set expectations for all employees within the Zoo, regardless of position, with no “rule exceptions” for Zoo executives and establishing a mechanism to hold executives accountable as well. Further, policies and procedures should be clearly documented, followed, and reviewed regularly to ensure they are operating effectively. Policies and procedures should be communicated to staff in a way that supports and acknowledges they are not just “words on a page,” but represent and support the actual mission of the Zoo and will always be taken seriously. The Zoo should revisit the implementation of their hotline to reconvey to their staff the availability and functionality of this system and to establish clear pathways for addressing the tips that eliminate the ability of Zoo executives to interfere in the proper review.

Maintaining Supporting Documentation

Ohio Rev. Code § 1702.15 states, in part, each nonprofit corporation shall keep correct and complete books and records of account.

Zoo Policy 6.1 Professional Ethics (Account Procedures) states, in part, all transactions must be properly recorded on the Zoo’s books and records and Zoo funds may be paid only for the purpose described in the documents supporting such payment.

Zoo Corporate Credit Card Program Cardholder Agreement states, in part, a Zoo employee will agree to comply with the following terms and conditions regarding use of their Zoo-issued credit card, including, but not limited to:

- Retain all itemized receipts for charges made to the card and submit them to the Finance Department within 48 hours of making the purchase or, if traveling, within 48 hours of returning.
- All submitted receipts should include an explanation of the business purpose. If the receipt is for business entertainment or a business meal, it should include a description of business topics discussed and a list of names of those in attendance.

Executive leadership colluded to conceal fraudulent activity by intentionally failing to establish or enforce controls requiring the maintenance of supporting documentation. This deliberate lack of oversight allowed transactions to occur without appropriate records, hindering transparency and accountability, including for the following:

- Eight hundred ninety-eight of 1,506 credit card transactions made by the Zoo executives.
- All IMS and ITEX barter account transactions.
- Promotional Support/Advertising expenditures.
- Agreement between the Zoo and the Columbus Clippers, specifically identifying what the Zoo received for sponsorship payments from 2012-2016 and media/marketing partnership payments from 2017-2019.
- All incidental purchases made at Wedgewood and Kinsale by the Zoo executives.

Lack of supporting documentation for disbursements limits management’s ability to review and approve transactions and increases the risk of error. Failure to maintain underlying documentation and support of financial transactions led to fraudulent credit card, barter account, promotional/advertising expenditures, and country club transactions. This can also increase the risk of additional fraudulent transactions, result in financial statement misstatements, as well as the Zoo not being in compliance with their own policies and procedures.

We recommend the Zoo take measures to ensure all records are adequately maintained and safeguarded in their original form to support all financial transactions.

APPENDIX

Segregation of Duties

Entities should plan for adequate segregation of duties or compensating controls. Segregation of duties provides two significant benefits: (1) a deliberate fraud is more difficult because it requires collusion of two or more persons and (2) it is more likely an error will be detected. Proper segregation of duties is not possible when only one or two people handle all four aspects of the internal control cycle (record keeping, authorization, custody and reconciliation).

During the Period, Mr. Bell was responsible for overseeing the Zoo's IMS and ITEX barter accounts, but he was also an authorized purchaser for the Zoo on the barter network. We identified a total of \$71,467.30 in personal purchases made by the Zoo executives on the barter network.

Also, during the Period, 79 credit card transactions were recorded on Forms which, while the cardholder simply signed the Form, the approver was the one who filled out the purchases on the Form and also signed the Form as approver. Forms were also identified where a Zoo executive approved another Zoo executive's purchases, even though the approver was not directly in the purchasers' chain of command.

Zoo executives deliberately failed to implement segregation of duties in order to further facilitate their fraudulent activities. By maintaining unchecked authority over financial processes and preventing independent oversight, they created an environment where unauthorized transactions could occur undetected.

The lack of segregation of duties led to an opportunity for Zoo executives, including Mr. Bell, to make personal purchases on the barter network without any other Zoo financial staff or Board member to review or approve the purchases. For the Zoo executives' credit card purchases, the lack of segregation of duties allowed both the purchaser and approver to document false descriptions of purchases knowing the Form would not be reviewed by their actual supervisor, any other supervisor or Zoo financial staff member or Board member.

While the Zoo's IMS and ITEX barter accounts have since been closed, we recommend other Zoo functions be evaluated by the Zoo Board and executives to ensure there is a proper segregation of duties, so no single individual has control over all phases of a transaction. For credit cards, the Zoo Board and executives should ensure the list of individual purchases on a Form was completed by the actual Zoo credit card holder and not by the individual approving the Form. Zoo financial staff should complete haphazard reviews of different Forms to ensure this process is properly occurring. In certain operations, it is not always possible to have enough staff to adequately segregate duties. Understanding this, the Zoo management and Zoo Board should take a more active role in monitoring the Zoo's disbursements.

Internal Controls

Ohio Rev. Code § 1702.341(B) states an officer shall perform the officer's duties to the corporation in good faith, in a manner the officer reasonably believes to be in or not opposed to the best interests of the corporation, and with the care that an ordinarily prudent person in a like position would use under similar circumstances.

The Zoo Board and executive officials are responsible for the design and operation of a system of internal control that is adequate to provide reasonable assurance for the safeguarding of funds.

The weaknesses in internal controls over disbursements stemmed from a lack of formal policies and enforcement, as well as deliberate actions by executives to override or disregard control mechanisms. By failing to establish and maintain effective oversight, leadership created an environment where financial transactions across multiple areas lacked adequate safeguards against misuse and unauthorized expenditures. These weaknesses included:

APPENDIX

Credit Cards

- The Zoo Finance Department paid the monthly credit card bill before all receipts were submitted, and then did not continue to try to obtain the missing receipts.
- There was no clear review by Zoo finance staff of the allowability of purchases, instead only ensuring receipts were submitted to the Finance Department.
- The Forms were not consistently approved. For example, 79 Forms were approved but the approver filled out the Form of the cardholder, who also signed the Form. Twenty-two Forms were approved only by the cardholder, 98 Forms were not approved at all, and 52 Forms did not even include an approval line. Finally, some Forms were approved by Zoo employees outside the regular chain of command.
- Only 495 of 1,506 credit card transactions were recorded on a Form.

Barter System

- No documented policy or procedure for the use of the IMS and ITEX barter networks, including what is considered an allowable or proper purchase.
- No evidence of a formal and timely review of IMS and ITEX barter account purchases other than Mr. Stalf approving all purchases at the end of the year.

Promotional Support

- Improper internal coding as the expenditures for the CBJ and OSU ticket contracts were not for Promotional Support.
- Signing contracts without proper department review and approval, such as the Philanthropy Department.
- Signing limits were exceeded as Mr. Fingerhut signed the CBJ and PromoWest contracts beyond what he was authorized.

Wedgewood/Kinsale

- No documented policy or procedure for the use of club memberships for Zoo executives, including the purpose of the memberships, which Zoo employees should have memberships, allowable purchases and reimbursement of personal purchases, and review of purchases.
- No evidence of a formal review of Wedgewood and Kinsale monthly invoices.

Failure to design and implement sufficient controls over the disbursement of funds increases the risk that loss or misappropriation of funds could occur and not be detected in a reasonable time period. A lack of internal controls at the Zoo allowed the opportunity for personal purchases using Zoo issued credit cards, the barter networks, tickets at the Nationwide Arena, OSU and PromoWest, as well as expenditures at Wedgewood and Kinsale.

We recommend the Zoo Board and executives develop and implement internal controls to prevent and detect errors of these types in the future. An example of this is adopting a policies and procedures manual that defines roles and responsibilities for Zoo officials and employees for the processing of various types of financial transactions, including Zoo expenditures and contracts, similar to the Zoo's current Cash Handling manual. The policies should be reviewed and approved by the Zoo Board and then distributed to all employees for review. The Zoo Board and executives should periodically monitor and test these internal controls to help ensure they are in place and operating as intended. Additional internal controls should include, but are not limited to:

- Ensuring all Forms and individual purchases are reviewed and approved by the appropriate supervisor to confirm the purchase is for a proper Zoo purpose.
- Ensuring detailed receipts for every credit card purchase are attached and submitted with the Form.
- Defining the meaning or purpose of vague Zoo financial account codes, such as Promotion Expense, to assist Zoo financial staff in ensuring only proper and legitimate transactions are coded to the line item.
- Requiring all vendor invoices be sent directly to the attention of Zoo finance staff or a Zoo finance email inbox for review.

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- Establishing a policy to address the review and approval of Zoo contracts by the necessary departments or the Zoo Board.
- Completing an annual review of Zoo employee signing limits to verify the limits are comparable with the employee's responsibilities and those employees have not made purchases exceeding those limits.

Conflict of Interest

Zoo Policy 6.1 Professional Ethics (Outside Directorships and Investments) states, in part, an employee who serves as director of, or has a current business or financial interest in, a business having current or prospective dealings with the Zoo, must disclose this fact to his or her manager so that it may be determined whether the situation presents a conflict of interest. Financial interests of the employee include the business or financial interests of an employee's family living with the employee. Any approval to continue or engage in such outside business or financial interest must be in writing.

Zoo Conflict of Interest Policy states, in part, employees must not engage in any activities, transactions, or relationships that are incompatible with the impartial, objective, and effective performance of their duties. Employees are required to file/update a disclosure form as soon as they have knowledge of a Zoo transaction with an outside individual, business, or other organization that would create a conflict of interest or the appearance of one.

Zoo Policy 6.2 Use of Zoo Property states, in part, the Zoo prohibits employees from using any Zoo asset for personal use or gain.

During the Period, numerous Zoo disbursements were made for purposes that either directly violated Zoo policies or gave the appearance of a conflict of interest. These issues arose because the Zoo Board and executives failed to enforce its own Conflict of Interest policy and because Zoo executives actively concealed their actions to avoid detection. The following are transactions or occurrences we noted contrary to these policies:

- Five vehicles were sold to the Zoo/The Wilds using a Zoo vendor, AMS, as a "straw man", for which Mr. Murnane and members of his family received payment from AMS. The Zoo paid a total of \$41,100.00 to AMS for these vehicles, who then paid Mr. Murnane and members of his family \$39,157.00.
- Mr. Stalf's personal 2006 Chevrolet Silverado was sold to The Wilds for \$8,500.00 using AMS to conceal the true ownership. Mr. Bell signed The Wilds' check payment to AMS for the purchase of Mr. Stalf's truck. In return, Mr. Stalf was given an \$8,000.00 "trade in credit" by AMS for the purchase of a 2011 Chevrolet Silverado.
- Based on the advertising dollars spent with the Dispatch Media Group/WBNS, the Zoo received "incentive travel", which Mr. Stalf went on one trip valued at \$12,735.00 and Mr. and Mrs. Fingerhut went on four trips valued at \$93,520.00.
- Two Zoo-owned properties were rented to immediate family members of Mr. Stalf and Mr. Bell at below fair market values for losses of \$50,015.90 and \$31,305.35, respectively.
- The Zoo paid \$100,085.50 to Uptown Signs, LLC for signs to be used around the Zoo property, plus an additional \$9,164.26 to Grimco for various vinyl and coroplast materials used to make the signs. While actual sign products were made and delivered to the Zoo, Uptown Signs, LLC is owned by Mr. Murnane's wife, which Mr. Murnane did not disclose on his conflict of interest disclosure form. Mr. Murnane also signed all but two of the Check Request Forms as the requester of payment instead of utilizing the Zoo's standard practice of internal purchase orders.

Failure to follow the policy prohibiting conflicts of interest could increase the risk of inappropriate transactions or result in unallowable or unfavorable activity by the Zoo.

We recommend the Zoo Board and executives ensure all employees are familiar with the conflict of interest policy and the required conflict of interest disclosure forms are submitted to Human Resources, at the very least, on an annual basis, and updated as necessary.

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Personal Purchases

Zoo Policy 6.1 Professional Ethics (Dishonesty) states, in part, no employee may commit or contribute to acts of dishonesty against the Zoo, such as fraud, theft, embezzlement, misappropriation of Zoo assets, or providing dishonest or incomplete information during an investigation.

Zoo Policy 6.3 Purchasing Personal Items states, in part, personal items cannot be charged to the Zoo, regardless of whether or not the charges incurred are subsequently reimbursed back to the Zoo by employees.

Zoo Policy 6.4 Standards of Employee Conduct states, in part, certain standards of conduct and levels of performance are required from Zoo employees and all employees are required to read, understand, and comply with all standards of conduct. The following are examples of conduct and performance which can lead to disciplinary and/or corrective action:

- Dishonesty, theft, or misappropriation of Zoo or guest property.
- Violation of work rules, standards of conduct, policies, or procedures.
- Unauthorized alteration of records or falsifying any record.
- Engaging or attempting to engage in any immoral, indecent, or unlawful conduct or in conduct which embarrasses the Zoo or places the Zoo in an unfavorable or unacceptable light.
- Providing false, misleading, evasive, or incomplete information during an investigation, or on any Zoo-related business record.
- Careless, negligent, or improper use of Zoo resources or others' property.
- Unethical conduct or conflict of interest.

Zoo Corporate Credit Card Program Cardholder Agreement states, in part, a Zoo employee will agree to comply with the following terms and conditions regarding use of their Zoo-issued credit card, including, but not limited to:

- The card is the property of the Zoo and will be used exclusively for business purposes. Credit cards should be utilized for travel, business meals, exclusively eCommerce vendors and emergency purchases only.
- If personal expense and business expense are combined in the same transaction, the personal expenses will be designated on the receipt and a reimbursement check payable to the Zoo will be presented at the time the receipt is remitted to the Finance Department. Every effort will be made to avoid this situation.
- Agree to use the card for approved purchases only. Policy violations include, but are not limited to, purchasing items for personal use and failure to submit proper documentation in a timely manner.

During the Period, numerous personal purchases by the Zoo executives and Mr. G. Bell were noted utilizing various Zoo purchasing methods and vendors, including but not limited to the following:

- Zoo issued credit cards totaling \$37,882.81.
- Zoo IMS and ITEX barter accounts totaling \$71,467.30.
- Zoo Check Request Forms (excluding amounts included elsewhere in this recommendation) totaling \$79,070.50.
- CBJ / Nationwide Arena totaling \$1,051,523.89.
- OSU totaling \$351,282.99.
- Wedgewood / Kinsale totaling \$116,914.32.
- DIF totaling \$44,232.00.
- PromoWest totaling \$34,000.00.
- Purchases made via RFA which were then billed back to the Zoo totaling \$65,276.66.

Although Zoo policies explicitly prohibit personal purchases, hindered oversight by the Zoo Board due to collusion among the Zoo executives enabled the concealment and continuation of such expenditures. Additionally, a lack of independent oversight and failure to enforce policy compliance allowed these improper purchases – totaling well over a million dollars – to go undetected and unaddressed.

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We recommend the Zoo Board and executives impress upon employees the importance of complying with the Zoo's Standards of Employee Conduct policy as well as all other Zoo policies for not utilizing Zoo resources to make personal purchases. We also recommend the following:

- Reevaluate the approved signing limits of Zoo employees and consider requiring the Zoo Board's Treasurer to also review and approve major purchases or contracts.
- Have the Board's Treasurer review and approve the Zoo CEO's credit card purchases.
- Encourage the use of an internal whistleblower hotline.
- Establish a policy detailing when a Check Request Form can be used and implement controls to ensure the Check Request Form is not abused in order to circumvent proper financial approval and payment steps.

Levy Funds

Ohio Rev. Code § 117.431, states public money in the possession of any private institution, association, board, or corporation shall be accounted for separately and independently from its other funds and accounts. The auditor of state may adopt rules establishing the manner in which the public money shall be separately and independently accounted for.

As a result of a special real estate tax levy, Franklin County electronically transfers quarterly taxpayer levy funds to the Zoo. The quarterly payments are deposited in a separate Zoo checking bank account in order to segregate the levy money from other Zoo revenue funds, as the levy funds are restricted to specific categories of what the funds may be spent on. On a monthly basis, the Zoo generates a report of the total expenditures incurred for the allowable levy categories and the amounts are tracked on a levy funding spreadsheet. However, the total expenditures incurred for the allowable levy categories is always greater than the amount of levy proceeds received from Franklin County. Therefore, levy expenses are not paid directly from the Zoo's levy checking bank account as additional Zoo general funds are required to cover the difference. As the quarterly levy payments are received, the Zoo transfers the funds from the levy checking bank account to the Zoo's operational or disbursement checking bank accounts, thereby comingling the levy funds with other Zoo revenue funds. Zoo expenditures related to allowable levy categories are fully paid directly from the Zoo's operational or disbursement checking bank accounts, so the exact expenditure cannot be directly tied to the levy funds. This process happens because levy related expenditures can occur prior to the receipt of the quarterly levy payments from Franklin County, so the transfer of levy funds to the Zoo's operational or disbursement checking bank accounts simply acts as a partial 'reimbursement'. The Zoo had a publicly appointed Board (separate from the general Board), consisting of Franklin County, City of Columbus and Zoo appointees, which was responsible for the oversight of levy funds; however, no reports were submitted to Franklin County prior to this investigation indicating how the Zoo was compliant in the spending provision of the levy funds.

By comingling levy funds with the regular revenue funds, the Zoo increases the risk that levy funds are used for payment on a Zoo expense which is not an allowable use.

We recommend the Zoo Board and executives establish a documented policy and procedure specifically for the receipt of levy funds, the restrictions on what levy funds may be utilized for, the tracking of specific levy expenditures, and the transfer of levy funds to the Zoo's operational or disbursement accounts. Further, we recommend the Zoo evaluate what internal controls are in place for the levy expenditure process and to strengthen the internal controls where needed. Finally, we recommend the Zoo obtain an annual independent assessment or audit of the levy fund expenditure process to provide assurance to Franklin County Commissioners and residents that their tax levy dollars are spent on appropriate expenses.

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Tax and W-2 Reporting

26 CFR § 1.74-1(a)(1) and (2) states, in part, Section 74(a) requires the inclusion in gross income of all amounts received as prizes and awards. Prizes and awards which are includible in gross income include, but are not limited to, amounts received from radio and television giveaway shows, door prizes, and awards in contests of all types. If the prize is not made in money but is made in goods and services, the fair market value of the goods or services is the amount to be included in income.

The Dispatch Media Group/WBNS 10TV Letter of Agreement and Trip Qualifications states, in part, advertiser (Zoo) must submit proper documentation to WBNS to comply with all applicable federal, state and local tax reporting and withholding requirements. All taxes imposed on the value of the trip received are the sole responsibility of the Advertiser (Zoo).

Based on the advertising dollars spent with the Dispatch Media Group/WBNS, the Zoo received multiple “incentive travel” trips paid for by the Dispatch Media Group/WBNS, of which both Mr. Stalf and Mr. Fingerhut participated. The value of the trips taken by Mr. Stalf was \$12,735.00 and by Mr. and Mrs. Fingerhut was \$93,520.00. For the four years which the trips were offered, the Dispatch Media Group/WBNS provided letters to the Zoo stating the value of the trip; however, the amounts were not included in Mr. Stalf’s or Mr. Fingerhut’s annual W-2 form as additional income as Mr. Bell told SIU he was instructed by Mr. Stalf to not include the income.

If Zoo employees receive prizes, awards, or nonmonetary goods and services, the fair market value should be included in the employee’s taxable income. Failure to do so will result in underreporting of employee wages and failure to pay appropriate payroll taxes on these amounts.

We recommend the Zoo Board require Zoo executives to have all Zoo financial and advertising staff disclose any prizes, awards, or other nonmonetary goods and services received so the amounts can be properly included in the employee’s income, as necessary. This requirement should be included in the Zoo’s Professional Ethics Policy 6.1 (Gifts, Gifts and Entertainment).

OHIO AUDITOR OF STATE KEITH FABER



COLUMBUS ZOOLOGICAL PARK ASSOCIATION SPECIAL AUDIT

DELAWARE 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 5/13/2025

65 East State Street, Columbus, Ohio 43215
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This report is a matter of public record and is available online at
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