

Ethics Tipline Incident #120074221
Metro Animal Service Donation Fraud Allegation
Review
Meeting Notes – (Spot Fund, Inc.) Amber Halloran 9/4/14

Introduction

A meeting was held at the Louisville Water Company's downtown offices on September 4, 2014. The purpose was to discuss the Spot Fund, Inc. process for receiving and spending funds designated to the Spot Fund, Inc. from Metro Animal Services (MAS). Attendees included Ingram Quick (Director) and May Porter (Assistant Director) of OIA and Amber Halloran (Treasurer) of the Spot Fund, Inc. (SPOT Fund).

The SPOT Fund

The SPOT Fund is a 501c(3) organization, whose objectives include, but are not limited to, fundraising with and on behalf of MAS. The SPOT Fund board is appointed by Mayor Fischer.

Receipt Process

Donations collected by MAS and designated for the SPOT Fund are issued to the SPOT Fund in quarterly disbursements. Generally the check is issued to the SPOT Fund between 1 and 30 days after the quarter end. Once issued, the check is hand delivered to Amber Halloran or her designee by Donald Robinson or his designee. The check is then deposited in to a SPOT Fund bank account, where the funds are held until expended. Amber Halloran provided Internal Audit with copies of SPOT Fund bank account bank statements and corresponding reconciliations from January 2013 through July 2014. Refer to **Exhibit C1** for copies of the bank statements and reconciliations.

Expenditure Process

The SPOT Fund board makes the final decision regarding how donations collected by MAS and designated for the SPOT Fund are expended. Representatives of MAS may request to have the funds expended for a specific purpose. Generally, this is done by way of a verbal request from MAS management at a board meeting. However, there is not a formal policy that dictates how such requests are to be made. Once the request is made the board may either accept or deny the request, by way of a vote. In the event that MAS management does not request to use funds or their request is denied, the board may expend funds as it sees fit, by way of a vote. Requests regarding the use of funds, any determination made by the board (including voting results) are documented by way of Board Minutes. Board Minutes were obtained from Kim Allen, Executive Director of Metro Criminal Justice Commission.

The SPOT Fund board generally does not receive documentation regarding any individual donor's intentions regarding the use of the funds that he/she has donated. The SPOT Fund board does not receive any information from MAS's animal care system, Chameleon; donor letters; or check copies; which could provide detail regarding donor intent. When a donor specifies

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intentions regarding the use of funds, the information is not given to the SPOT Fund board, unless it is presented during a board meeting by MAS management.

Allegation Response

Amber Halloran stated the SPOT Fund Board was not made aware of any funds collected specifically for Sadie's benefit until Sadie had succumb to her injuries. Amber Halloran stated that Donald Robinson verbally informed her of the collection effort and funds collected after Sadie died.

Note: Meeting notes updated to add that on 9/23/2014 Amber Halloran notified OIA that \$60, \$10 to Judy Sampson and \$50 to Ann Hunter, had been returned to donors, because the funds were not able to be used as intended. The funds were designated for Sadie's medical expenses by each donor. Please see **Exhibit C3**, correspondence and documentation regarding returned funds.