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NEWS RELEASE

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Auditor of State David A. Vaudt today released a report on a special investigation of UNITix, the University of Northern Iowa's (University's) centralized ticketing office, for the period August 1, 2008 through August 31, 2010. The special investigation was requested by University officials as a result of concerns regarding improper transactions processed by John Gogola, a former Assistant UNITix Director. As the centralized ticketing office for the University, UNITix sells tickets for intercollegiate athletic events held in the UNI-Dome and the McLeod Center and performances held in the Gallagher-Bluedorn Performing Arts Center and the Strayer-Wood Theatre. Tickets are also sold for selected road contests and other events within the University community, including performances by the University's School of Music and the Waterloo-Cedar Falls Symphony.

Vaudt reported the special investigation identified \$18,891.00 of collections which were diverted from the UNITix system. Of this amount, \$16,412.00 was diverted to Mr. Gogola's personal debit and credit cards by recording certain improper transactions within UNITix. Vaudt reported a total of 284 improper transactions were identified which were directly or indirectly related to the funds Mr. Gogola diverted to his personal debit and credit cards. The improper transactions were recorded in 112 patron accounts. The improper transactions identified also resulted in \$1,268.00 of losses incurred by 12 patrons. Additional improper transactions may have also been recorded in more patron accounts, but sufficient details were not available. For example, \$2,662.00 of tickets in 14 patron accounts which were recorded as paid for by transactions from other patrons' accounts were identified, but it was not possible to determine which accounts the \$2,662.00 was recorded in as payments. Therefore, the \$2,662.00 is not included in the \$18,891.00 identified.

Vaudt reported the \$18,891.00 identified also includes \$200.00 of cash not deposited and 2011 season football tickets which were issued for \$480.00 less than the appropriate amount because of transactions Mr. Gogola improperly recorded for the 2010 football season. In addition, 4 season football tickets were used but not paid for and 2 tickets to a performance of *Riverdance* were ordered by Mr. Gogola and used, but were not paid for. The value of the season football tickets and the *Riverdance* tickets are \$396.00 and \$135.00, respectively.

Vaudt also reported the special investigation identified 3 instances in which Mr. Gogola charged amounts to his personal debit and credit cards to make certain transactions properly balance. The charges made to Mr. Gogola's personal debit and credit cards total \$4,973.00, which offset the collections he improperly diverted.

In addition, Mr. Gogola issued a \$996.00 personal check to the University after UNItix staff contacted him in November 2010 to question a transaction for which tickets were not properly issued to a patron. Mr. Gogola had posted the entries to this patron's account prior to his resignation from the University in August 2010. In response, Mr. Gogola left the check at a window of the Gallagher-Bluedorn Performing Arts Center and it was accompanied by a note which stated, in part, "Since I never have time to come in, and it was my mistake, here is payment for [PATRON NAME]'s tickets." University staff contacted Mr. Gogola prior to identifying any additional improper transactions.

Due to the manner in which Mr. Gogola improperly recorded transactions, it was not possible to determine if additional funds were improperly diverted.

The report includes recommendations to strengthen internal controls and overall operations, such as monitoring the use of transactions which may result in collections being diverted from the UNItix system and ensuring the monthly reporting process and tracking is continued by an independent party for tickets purchased through payroll deduction. Vaudt also recommended UNItix officials work with its software vendor to electronically prevent tickets or gift certificates which have been used from being voided or refunded.

Copies of the report have been filed with the University's Department of Public Safety, the Division of Criminal Investigation, the Black Hawk County Attorney's Office and the Attorney General's Office. A copy of the report is available for review in the Office of Auditor of State and on the Auditor of State's web site at <http://auditor.iowa.gov/specials/1161-8030-BE00.pdf>.

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