



Mark Bush
Superintendent

Response to Corrective Action Requested by the Oklahoma State Board of Education November 19, 2015

1. The Swink Board of Education will enforce its newly adopted policies and procedures which address misappropriation of assets, as set forth by the 2015 Swink Audit.
2. The Swink BOE will more carefully review each encumbrance before approval.
3. Updated , year to date encumbrance reports will be provided at each board meeting.
4. The Swink BOE will carefully review warrants, warrant numbers, who payment is made to, and the amount and compare each to the warrants that are being signed.
5. The Swink BOE will disallow the usage of signature stamps.
6. The Swink BOE adopted a new policies and procedures manual (OSSBA) on January 12th, 2016, of which the board will follow precisely the procedures set forth for travel-related expenses.
7. All credit cards will be cancelled and the new policies and procedures will be followed.
8. The Swink BOE will follow updated fuel credit card policies set forth in the newly adopted (OSSBA) policies and procedures manual.
9. The Swink BOE will follow precisely the newly adopted policies and procedures manual governing the use of and maintaining security over fuel credit cards.

10. The auditor contacted Mr. Bush, supt. on Friday July 17th after performing the audit on Thursday, July 16th, 2015. Mr. Bush, supt. suspended both employees with pay on Monday, July 20th at approximately 1:00. The Swink BOE met in a board meeting on Tuesday, July 21st and had a teleconference with the auditor and legal counsel, Laura Holmes, Center for Education Law. Mr. Bush contacted the District Attorney's office on Wednesday, July 22nd whereby he was advised to contact the Choctaw County Sheriff. Mr. Bush contacted Terry Parks, sheriff the same day. A deputy was sent to the school and met with Mr. Bush for a very brief time on Thursday, July 23rd at 9:00. Mr. Bush was contacted by FBI agent, Jeff Youngblood and U.S. Dept. of Ed Office of Inspector General's Office investigator, Michelle Buziden on Friday, July 24th about 9:30 a.m. They took over the investigation and were present at our school frequently until about the middle of October. No word on the investigation since then.

11. All amounts, accounts, claims and invoices due relating to the fraud, misappropriation of assets, and embezzlement that were outstanding on June 30th, 2015 have been paid.

12. We plan to retain Sanders, Bledsoe and Hewett as our Audit Firm. Discussions concerning rotation of audit firms continues but no board decision has been confirmed at this time.

13. Our board and administration is unsure of what this request entails. We will comply with the request as soon as we understand what is needed.

14. A claim has been submitted to the bonding company concerning the Treasurer and Encumbrance Clerk by our attorney.



Mark Bush
Superintendent

Response and Corrective Action Plan for 2015 Audit Findings

Swink Public School board of education and administration agree with Sanders, Bledsoe and Hewitt's recent audit findings and opinion. The employee's that held the positions of encumbrance clerk and treasurer/payroll clerk are currently suspended with pay pending further investigation and termination hearing. Law enforcement has been notified and is currently conducting their own investigation.

Swink Public School Board of Education and administration plan to monitor, scrutinize and enforce current procedures and implement new procedures immediately to address issues. Encumbrances will be carefully reviewed at each board meeting before approval. Updated, year to date encumbrance reports will be provided to the BOE at every meeting. The BOE will approve warrant numbers at each meeting and compare them to the warrants that are signed. In addition, if the BOE elects to use signature stamps, the stamps will remain in the possession of each board member or an independent party who does not have access to the warrants.

All fuel cards will be cancelled and the BOE will update fuel credit card policies. Policies governing the use and security of fuel cards will be established.

Again, law enforcement officials were notified immediately and Swink School administration requested appropriate action be taken regarding this fraudulent activity.

*Mr. Lanagan, This is a copy of our
corrective action plan which our board
will put in to place shortly after the July 16
audit findings. This is a start!
Thanks!
Mark Bush*

Respectfully,

Mark Bush, supt.

Mark Bush



Mark Bush
Superintendent

Corrective Action Response

Reference Number: ON SITE FINDING # 1

Name of Award-Project Number:
(Federal Finding)

N/A Not Federal

Finding: Gift Cards

We observed a few Activity Fund purchase orders used for the purchase of gift cards. We recommend that the purpose for these types of expenditures be attached as support to the purchase order. In addition, we recommend the student/staff receiving the gift card sign for them.

Contact Person: Mark Bush, superintendent

Corrective Action Plan: A written explanation explaining the purpose of these types of expenditures will be attached to the purchase order.

Adherence Monitoring Plan: The superintendent or his/her designee will be held accountable by the Swink Board of Education to ensure adherence to the plan.

Completion Date: Currently already in place and will be supported by the board's adoption of new policy at February, 2016 board meeting.

Mark Bush
Superintendent's Signature

1-21-16
Date



Mark Bush
Superintendent

Corrective Action Response

Reference Number: ON SITE FINDING # 2

Name of Award-Project Number:
(Federal Finding)

N/A Not Federal

Finding: Inventory records are currently maintained on a yearly basis. We recommend that a perpetual system be established for equipment. Such a system should either be recorded on a computer file or on index cards. The recommended information to be maintained for each item is a description of the item, the date of purchase, the purchase order number, the cost of the item (if known, actual cost should be used, if not known, an estimate of present value should be made), the serial number and/or model number, and the location of the item. New purchases should be added to the records on the date the items are received. When items are sold or scrapped, the disposition of the item should be recorded in the records of the fiscal year in which it was disposed, on the date of disposition. We further recommend that a master list of equipment inventory be kept at the administration office and at the office of the insurance company that provides current coverage for buildings and contents and transportation equipment.

Contact Person: Mark Bush, superintendent

Corrective Action Plan: Our district cannot currently afford to purchase a fixed asset inventory system. However, we will make efforts to record all pertinent information for equipment purchased.

Adherence Monitoring Plan: The superintendent or his/her designee will be held accountable by the Swink Board of Education to ensure adherence to the plan.

Completion Date: Currently already in place and will be supported by the board's adoption of new policy at February, 2016 board meeting.

Mark Bush
Superintendent's Signature

1-21-16
Date



Mark Bush
Superintendent

Corrective Action Response

Reference Number: ON SITE FINDING # 3

Name of Award-Project Number:
(Federal Finding)

N/A Not Federal

Finding: Lack of Segregation of Duties

The inherent limitations resulting from a small number of employees performing functions that would normally be divided among employees where a larger number are available prevent a proper segregation of accounting functions which is necessary in order to assure adequate internal accounting controls.

Contact Person: Mark Bush, superintendent

Corrective Action Plan: Every available and affordable action will be taken to properly train our existing personnel, and additional office staff will be assigned in order to correctly segregate the accounting functions.

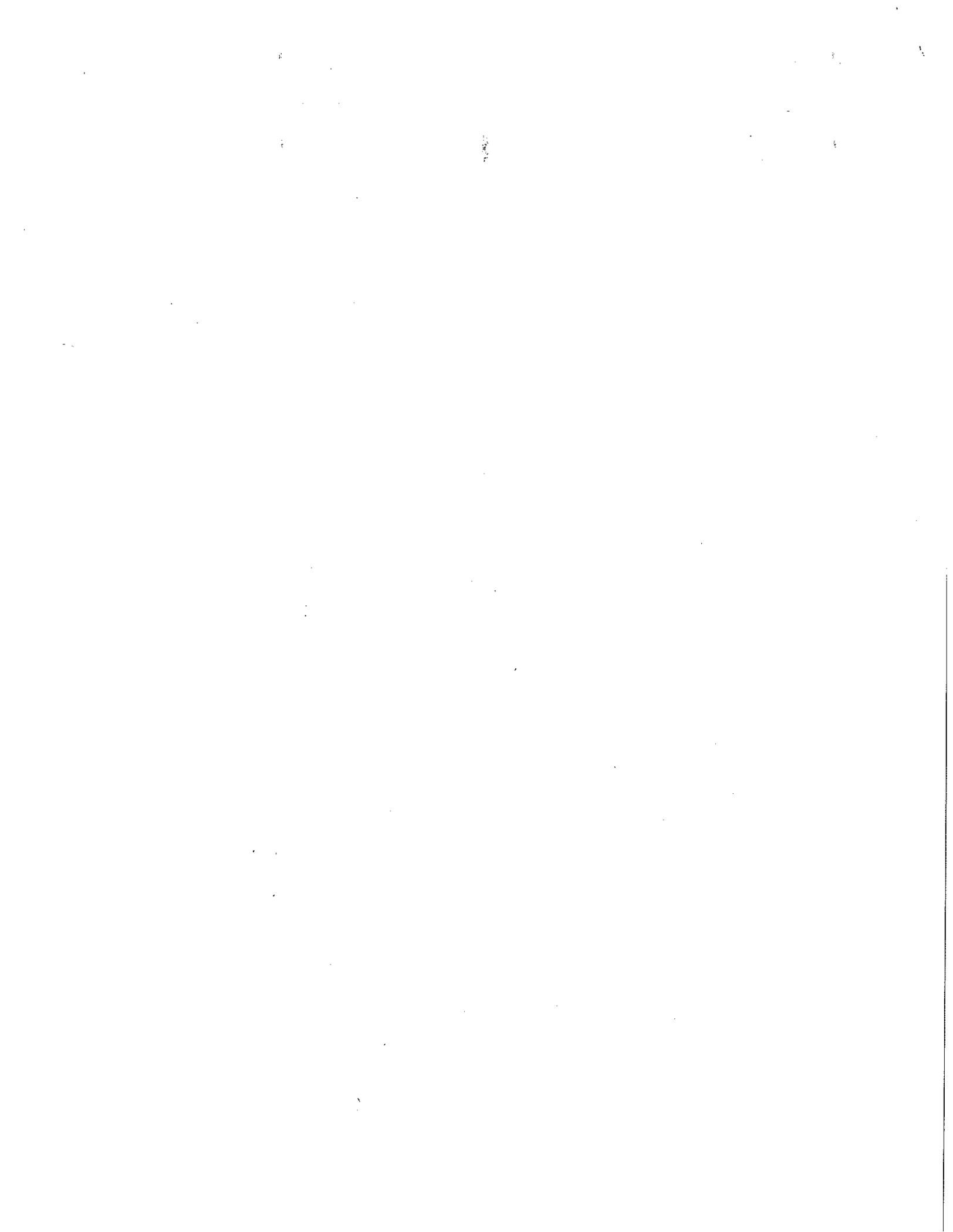
The board plans to employ an outside treasurer.

Adherence Monitoring Plan: The superintendent or his/her designee will be held accountable by the Swink Board of Education to ensure adherence to the plan.

Completion Date: Currently already in place and will be supported by the board's adoption of new policy at February, 2016 board meeting.

Mark Bush
Superintendent's Signature

1-21-16
Date





Mark Bush
Superintendent

Corrective Action Response

Reference Number: ON SITE FINDING # 4

Name of Award-Project Number:
(Federal Finding)

N/A Not Federal

Finding: Appropriations

We observed during the audit that appropriation amounts for the general and special revenue funds were not properly broken out by the OCAS function codes as required by the Oklahoma State Department of Education. However, the district had an adequate amount of appropriations to cover all actual expenses. We recommend that budgeted appropriations be classified by the bold function expenditures codes, and that steps be taken to assure that expenditures do not exceed the budgeted amounts at year-end.

Contact Person: Mark Bush, superintendent

Corrective Action Plan: Efforts will be made to check function code balances, and ensure that no bold code amount is overspent from appropriation amounts.

Adherence Monitoring Plan: The superintendent or his/her designee will be held accountable by the Swink Board of Education to ensure adherence to the plan.

Completion Date: The board plans to hire a full time encumbrance clerk January 21st at regular board meeting. These issues should be resolved by Feb. 1st, 2016

Mark Bush
Superintendent's Signature

1-21-16
Date



Mark Bush
Superintendent

Corrective Action Response

Reference Number: ON SITE FINDING # 5

Name of Award-Project Number:

(Federal Finding)

N/A Not Federal

Finding: Meal/Hotel Expenditures

We noted during our audit that some meal reimbursements did not have persons in attendance listed to document it was business related. We recommend that all amounts reimbursed for travel have proper supporting documentation, which would include the purpose of the trip, the names of all employees or students attending the event/meal, and a detailed receipt indicating all items that are claimed for reimbursement.

Contact Person: Mark Bush, superintendent

Corrective Action Plan: The district will follow the newly adopted policy concerning these expenditures and follow the recommendations listed above.

Adherence Monitoring Plan: The superintendent or his/her designee will be held accountable by the Swink Board of Education to ensure adherence to the plan.

Completion Date: Already in place. Immediately.
Effective in accordance with the newly adopted policy on January 12, 2016.

Mark Bush
Superintendent's Signature

1-21-16
Date



Mark Bush
Superintendent

Corrective Action Response

Reference Number: ON SITE FINDING # 6

Name of Award-Project Number: 561, 588, 621, 766
(Federal Finding)

Finding: Federal Programs

We observed a couple of instances where the amounts claimed for reimbursements did not match the amount coded according to OCAS (projects 561, 588, 621, 766). Although the amounts were immaterial, it is possible that you will be contacted about these differences by the SDE. The amounts that will be included on the Schedule of Federal Expenditures (SEFA) will reflect the amount expended, not the amount according to OCAS.

We recommend that the District establish a procedure which requires that an employee other than the one filing the claim perform a reconciliation at the end of the fiscal year between the expenditures claimed for reimbursement and the expenditures actually coded to the program's project code on the detailed expenditure reports.

Contact Person: Mark Bush, superintendent

Corrective Action Plan: The district will follow the newly adopted policy concerning these expenditures and follow the recommendations listed above. Coding variances on federal programs have been addressed and will be corrected. The district superintendent and encumbrance clerk are working with Katherine Black, SDE.

Adherence Monitoring Plan: The superintendent or his/her designee will be held accountable by the Swink Board of Education to ensure adherence to the plan. District

employees will match federal coding amounts to the amounts claimed for reimbursement.

Completion Date: Already in place. Immediately. Effective in accordance with the newly adopted policy on January 12, 2016.

Mark Bush
Superintendent's Signature

1-21-16
Date



Mark Bush
Superintendent

Corrective Action Response

Reference Number: ON SITE FINDING # 7

Name of Award-Project Number:
(Federal Finding)

N/A not federal

Finding: Activity Fund Deposits

During the audit, we observed that the activity fund custodian was not depositing the revenue on a timely basis. Oklahoma Statutes require that, "Deposits of funds shall be made daily, however, if the deposit for a day totals less than one hundred dollars (\$100.00), a school district may accumulate monies required to deposit into the fund on a daily basis until the total accumulated balance of deposits equals or exceeds one hundred dollars (\$100.00). Provided, a school district shall deposit accumulated monies into the fund not less than one (1) time per week, regardless of whether the monies total one hundred dollars (\$100.00)." We observed some weeks during the year in which no revenue was deposited on any of the days where accumulated monies exceeded one hundred dollars (\$100.00).

Contact Person: Mark Bush, superintendent

Corrective Action Plan: The district will follow the newly adopted policy and follow the recommendations of the auditors according to law.

Adherence Monitoring Plan: The superintendent or his/her designee will be held accountable by the Swink Board of Education to ensure adherence to policy.

Completion Date: Already in place. Immediately.
Effective in accordance with the newly adopted policy on
January 12, 2016.

Mark Becht
Superintendent's Signature

1-21-16
Date

Minutes of January 12, 2016

Swink Board of Education

Special Meeting

1. Meeting called to order at 6:12 p.m.. Motion by Mathiews, seconded by Adams. All approved.
2. Public Participation/Comments. There were none.
3. Consent Agenda: Minutes of November 17th, 2015 special meeting and November 20th, 2015 tabled until January 21st, 2016 meeting.

Financial Report given by Jackie Ferguson, treasurer: approved

Motion to approve by Mathiews, seconded by Adams. All approved.

4. Motion by Mathiews to approve Corrective Action Plan for seven identified items as recommended by Sanders, Bledsoe and Hewett. Seconded by Adams. All approved.
5. Motion by Mathiews to segregate duties central office personnel to include: In-house encumbrance, payroll and minutes clerk. Seek a treasurer outside central office. (outside the school). Seconded by Stowers. All approved.
6. Motion by Adams to continue with Jackie Ferguson as outside treasurer and order Mr. Bush, superintendent to advertise for (1) one person to fulfill the duties of in-house Encumbrance, Payroll, and Minutes clerk. Furthermore, if possible, to present a candidate for hire to the board at the January 21st, 2016 board meeting. Seconded by Mathiews. All approved.
7. Motion by Mathiews to remove Susan Tate as Encumbrance Clerk. Seconded by Adams. All approved.
8. Motion by Mathiews to approve the recommendation that the board attend all possible and reasonable board trainings sponsored by OSSBA and by the SDE, beginning with training for the board president and superintendent on January 25th at 10:00 a.m. with Nancy Hughes, SDE at the Oliver Hodge Building in OKC. Furthermore, that Mr. Bush, superintendent will seek information about training dates and locations and keep the board informed as to their dates and locations. Seconded by Stowers. All approved.
9. Motion by Mathiews to adopt the OSSBA policy manual for the district and order Mr. Bush, superintendent to contact OSSBA officials and take necessary steps to expedite the process to begin immediately.

Seconded by Stowers. All approved.

10. Motion by Adams to recommend that the Swink Board serve also as the governing board of the Choctaw County Boys and Girls Club, Swink unit to include the superintendent as a voting member of such board. Seconded by Stowers. All approved.

11. Motion by Stowers recommending that Swink School agree to enter in to a lease agreement with Choctaw County Boys and Girls Club, Swink Unit to provide facilities and utilities for the club to meet at the set amount of \$500.00 per month to begin Jan. 1, 2016. Seconded by Mathews. All approved.

13. Motion by Mathews to pay annual lease payment in the amount of \$1500 for the 2016 calendar year to Ruby Donaldson for lease of outdoor classroom acreage. Seconded by Adams. All approved.

14. Motion by Mathews to disapprove amendment to one or more support personnel contract(s) due to the announcement of Oklahoma's General Revenue Failure, but that the board would reconsider at a later time. Seconded by Stowers. All approved.

15. Motion to approve encumbrances presented for payment by Mathews. Seconded by Stowers. All approved.

16. The superintendent updated the board on the meeting with the district's architect, Brett Johnson concerning the presentation of our plan to the state fire marshal's office for approval. Mr. Bush reported that due to budget cuts at all state agencies, the fire marshal's office has been affected and they are short handed. The architect conveyed to Mr. Bush that the fire marshal's office was working as hard as they can and that they would eventually get to our plans.

17. Motion by Mathews to adjourn. Seconded by Adams. Meeting adjourned at 9:50p.m.

SWINK BOARD OF EDUCATION

Special Meeting

January 12th, 2016

Board Room

6:00 p. m.

NOTE: The Swink Board of Education may discuss, vote to approve, disapprove, table, or dedicate not to discuss any item on the agenda.

1. *Call to order ad recording of members present and absent.*

Motion: () Adams () Mathiews () Stowers

Second: () Adams () Mathiews () Stowers

Vote: () Adams () Mathiews () Stowers () ALL APPROVED

Time: _____

2. *Public Participation/Comments from those in attendance (5 minute limit)*

3. *Consent Agenda:*

All of the following items which concern reports and items of a routine nature normally approved at board meetings will be approved by one vote unless any board member desires to have a separate vote on any or all of the items:

a. Minutes of the November 17th 2015 and November 20th special meetings.

b. Financial Report given by Jackie Fergusoon

Motion: () Adams () Mathiews () Stowers

Second: () Adams () Mathiews () Stowers

Vote: () Adams () Mathiews () Stowers () ALL APPROVED

4. *Approve () Disapprove ()*

Discussion and possible action concerning corrective action plan advised by Sanders, Bledsoe and Hewett.

Motion: () Adams () Mathiews () Stowers

Second : () Adams () Mathiews () Stowers

Vote: () Adams () Mathiews () Stowers () ALL APPROVED

5. *Approve () Disapprove ()*

Discussion and possible action concerning segregation of duties of the financial responsibilities of central office personnel These duties are to include: Treasurer, Encumbrance Clerk, Minutes Clerk, and Payroll clerk

Motion: () Adams () Mathiews () Stowers

Second : () Adams () Mathiews () Stowers

Vote: () Adams () Mathiews () Stowers () ALL APPROVED

6. *Approve () Disapprove ()*
Discussion and possible action to hire a part time or full time person(s) to assume duties of Treasurer Encumbrance Clerk, Payroll clerk or a legal combination of these duties.
Motion: () Adams () Mathiews () Stowers
Second : () Adams () Mathiews () Stowers
Vote: () Adams () Mathiews () Stowers () ALL APPROVED
7. *Approve () Disapprove ()*
Removing of Susan as Encumbrance Clerk.
Motion: () Adams () Mathiews () Stowers
Second : () Adams () Mathiews () Stowers
Vote: () Adams () Mathiews () Stowers () ALL APPROVED
8. *Approve () Disapprove ()*
Discussion and possible action concerning additional board training dates and OSSBA training sessions as well as SDE training sessions.
Motion: () Adams () Mathiews () Stowers
Second : () Adams () Mathiews () Stowers
Vote: () Adams () Mathiews () Stowers () ALL APPROVED
9. *Approve () Disapprove ()*
Discussion and possible action concerning adoption of new policies or entire policy manual for the district Discussion to include, but not limited to, the OSSA Policy Manual OROS Policy Manual as well as recommendations of the district's attorney Laura Holmes from the Center for Education Law.
Motion: () Adams () Mathiews () Stowers
Second : () Adams () Mathiews () Stowers
Vote: () Adams () Mathiews () Stowers () ALL APPROVED
10. *Approve () Disapprove ()*
Discussion and possible action concerning this school board assuming the responsibility to sere as the governing board of the Boys and Girls Club of Choctaw County, Swink Unit, with the superintendent being a voting member of that board
Motion: () Adams () Mathiews () Stowers
Second : () Adams () Mathiews () Stowers
Vote: () Adams () Mathiews () Stowers () ALL APPROVED
11. *Approve () Disapprove ()*
Discussion and possible action concerning this school board assuming the responsibility to sere as the governing board of the Boys and Girls Club of Choctaw County, Swink Unit, with the superintendent being a voting member of that board
Motion: () Adams () Mathiews () Stowers
Second : () Adams () Mathiews () Stowers
Vote: () Adams () Mathiews () Stowers () ALL APPROVED

12.. Approve () Disapprove ()

Lease agreement with Ruby Donaldson for the annual amount of \$1,500.00.

Motion: () Adams () Mathiews () Stowers
Second : () Adams () Mathiews () Stowers
Vote: () Adams () Mathiews () Stowers () ALL APPROVED

13. Approve () Disapprove ()

Amendment to one or more support personnel contract(s)

Motion: () Adams () Mathiews () Stowers
Second : () Adams () Mathiews () Stowers
Vote: () Adams () Mathiews () Stowers () ALL APPROVED

14.. Approve () Disapprove ()

Recognition of Wildcat Athletics, an organization created by parents to help support the district's Athletic Program. The organization will raise funds via various fund raising events. The school will not be responsible for the financial accounting of the organization. Wildcat Athletics stands separate from the school and holds their own banking account The district may accept donations from the organization.

Motion: () Adams () Mathiews () Stowers
Second : () Adams () Mathiews () Stowers
Vote: () Adams () Mathiews () Stowers () ALL APPROVED

15.. Approve () Disapprove ()

Current encumbrances presented for payment

General Fund: Payroll Checks: _____

Claim Checks: -----

Direct Deposit Employee Listig.

Child Nutritios Checks

Activity Fund Checks

Building Fund Checks

Motion: () Adams () Mathiews () Stowers
Second : () Adams () Mathiews () Stowers
Vote: () Adams () Mathiews () Stowers () ALL APPROVED

16. *Superintendent's Report:*

17. *Approve () Disapprove () Adjournment: Time _____ p.m.*

Motion: *Adams* *Mathiews* *Stowers*

Second : *Adams* *Mathiews* *Stowers*

Vote: *Adams* *Mathiews* *Stowers* *ALL APPROVED*

This agenda was posted on the front window of Swink School building Administration Office on January 11th, 2016 at 11:00 a.m. and notice of this Special Meeting was given to the Choctaw County Clerk on Thursday, January 7th, 2016.

Oklahoma State Department of Education
Financial Accounting Conference Room
Swink Public Schools Training
Agenda

January 25, 2016

10:00-10:50 AM	Kim Ivestor Swink State Aid formula
11:00-11:30 AM	Heather Butler Swink School Personnel Records
11:30-12:00 PM	Katherine Black Swink Audit
12:00	Lunch
1:00-1:50 PM	Lynn Jones Swink Accreditation
2:00-4:00	Nancy Hughes Swink Financial Accounting Laws/Rules/Board Policies

On January 25, 2016 the Swink Superintendent and Board President came to the State Department of Education for training.

Kim Ivester with the State Aid Department discussed the state aid formula how other state funding. She discussed how student's membership and attendance affects the state funding formula. She also discussed student weights. Time was allowed for questions. (1 hour)

Heather Butler with the School Personnel Records Department discussed the staff at Swink School and how all staff salaries and benefits must be reported to the State Department and what the State Department does with those records. Time was allowed for questions. (30 minutes)

Katherine Black with the Financial Accounting Department discussed the Swink audit. She discussed how it is the responsibility of the Board of Education to call for an audit each fiscal year and should expect the firm selected to perform a financial and a compliance audit. She discussed the FY 15 audit findings and how the Board of Education is to make sure that the district's corrective action plans are followed to ensure the finances of the districts are used in a proper manner. Time was allowed for questions. (30 minutes)

Lynn Jones with the Accreditation Department discussed the accreditation standards and what a school must do each year to remain in good standing with accreditation. She discussed the role of the school board and the school board policies in regard to accreditation and the role of the superintendent to follow those policies. (1 hour)

Nancy Hughes with the Financial Accounting Department discussed the State Laws and SDE rules that affect local school boards and the policies that must be developed for a school. We discussed the Oklahoma Cost Accounting System and how this system is used statewide for all schools finances. We discussed the schools current finances and reports the Board of Education should be receiving from the Superintendent each month. We discussed the local, county, state and federal revenue. How the Board is responsible for the finances of the school. We discussed why it is the responsibility of the Superintendent to enforce the policies of the Board of Education. Time was allowed for questions. (2 hours)



OLD REPUBLIC SURETY COMPANY

445 S. Moorland Road, Suite 200, Brookfield, WI 53005 | T: 800-217-1792 | www.orsurety.com

January 5, 2016

Ms. Laura L. Holmes
The Center for Education Law, P.C.
900 N. Broadway, Suite 300
Oklahoma, City, OK 73102

Re: **Claim No.:** 58874
Bond No.: LPO2113164
Principal: Lori Baskin
Company: Old Republic Surety Company
Claimant: Swink Public School

Dear Ms. Holmes:

This is to acknowledge receipt of your letter, dated December 29, 2015, advising this office of your client's desire to file a claim under the above-captioned bond.

At this time, we have opened a claim file and are attempting to contact the respective individuals to advise of the claim and provide this office with a response. In the meantime, should you need to forward any additional information to this office, we would appreciate your separating the two claims into separate correspondence so that we may protect each individual's personal information. Once a full review of the claim documentation has been completed, we will be back in contact with you.

Please do not construe this letter as a waiver of any rights of the surety. Any and all rights and defenses are hereby specifically reserved.

Very truly yours,

OLD REPUBLIC SURETY COMPANY

Lisa Frasier
Claims Director
Claims@orsurety.com
(262) 797-2642

LF/lc



OLD REPUBLIC INSURANCE GROUP



OLD REPUBLIC SURETY COMPANY

445 S. Moorland Road, Suite 200, Brookfield, WI 53005 | T: 800-217-1792 | www.orsurety.com

February 17, 2016

Ms. Laura L. Holmes
The Center for Education Law, P.C.
900 N. Broadway, Suite 300
Oklahoma, City, OK 73102

Re: **Claim No.:** 58874
Bond No.: LPO2113164
Principal: Lori Baskin
Company: Old Republic Surety Company
Claimant: Swink Public School

Dear Ms. Holmes:

This is in follow-up to our letter to you, dated January 5, 2016, regarding the above-captioned matter.

We have been in contact with an attorney representing Ms. Baskin in this matter. The attorney indicates that Ms. Baskin has paid \$15,000.00 in restitution, which would leave a balance of \$17,263.57. Please confirm the total amount of restitution received. In addition, we have been advised that Ms. Baskin disputes the claim for the travel expenses of July 5, 2015, indicating that the Superintendent was aware she did not attend, but indicated that reimbursement would cover other travel expenses for which she was not paid. Please provide this office with your client's response.

This Company continues to reserve any and all rights and defenses, as stated in prior correspondence.

Very truly yours,

OLD REPUBLIC SURETY COMPANY

Lisa Frasier
Claims Director
Claims@orsurety.com
(262) 797-2642

LF/lc

Dictated, but not read.
Sent absent review to
avoid delay.



OLD REPUBLIC INSURANCE GROUP



OLD REPUBLIC SURETY COMPANY

445 S. Moorland Road, Suite 200, Brookfield, WI 53005 | T: 800-217-1792 | www.orsurety.com

January 5, 2016

Ms. Laura L. Holmes
The Center for Education Law, P.C.
900 N. Broadway, Suite 300
Oklahoma, City, OK 73102

Re: **Claim No.:** 58875
Bond No.: W150064627
Principal: Tiffany Davidson
Company: Old Republic Surety Company
Claimant: Swink Public School

Dear Ms. Holmes:

This is to acknowledge receipt of your letter, dated December 29, 2015, advising this office of your client's desire to file a claim under the above-captioned bond.

At this time, we have opened a claim file and are attempting to contact the respective individuals to advise of the claim and provide this office with a response. In the meantime, should you need to forward any additional information to this office, we would appreciate your separating the two claims into separate correspondence so that we may protect each individual's personal information. Once a full review of the claim documentation has been completed, we will be back in contact with you.

Please do not construe this letter as a waiver of any rights of the surety. Any and all rights and defenses are hereby specifically reserved.

Very truly yours,

OLD REPUBLIC SURETY COMPANY

Lisa Frasier
Claims Director
Claims@orsurety.com
(262) 797-2642

LF/lc



OLD REPUBLIC INSURANCE GROUP



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445 S. Moorland Road, Suite 200, Brookfield, WI 53005 | T: 800-217-1792 | www.orsurety.com

February 17, 2016

Ms. Laura L. Holmes
The Center for Education Law, P.C.
900 N. Broadway, Suite 300
Oklahoma, City, OK 73102

Re: **Claim No.:** 58875
Bond No.: W150064627
Principal: Tiffany Davidson
Company: Old Republic Surety Company
Claimant: Swink Public School

Dear Ms. Holmes:

This is in follow-up to our letter to you, dated January 5, 2016, regarding the above-captioned matter.

We have been in contact with the attorney representing Ms. Davidson in this matter. It is the position of Ms. Davidson that she and Ms. Baskin never traveled together, and if the identical expense reports were submitted, it is because they both went to the same meeting and used the same mileage and per diem rates. Further, the attorney indicates that they dispute the claim amount of \$280.00 for mileage and \$132.00 per diem for Ms. Davidson's expense report relative to a school audit workshop on June 4 and June 5 of 2015. Specifically, they state that the Superintendent specifically requested that Ms. Davidson not attend as his wife was sick and she needed to be present at the school on the 4th and 5th. At that time, they were told not to worry about their request for mileage and per diem, as it would be a wash for everything they did for the school that was not being paid for. In addition, the attorney indicates that his client has been interviewed by the Assistant U.S. Attorney and the FBI concerning these same issues. To date, no charges have been filed, nor has any indictment been issued. Please provide this office with your client's response to Ms. Davidson's position regarding this matter.

This Company continues to reserve any and all rights and defenses, as stated in prior correspondence.

Very truly yours,

OLD REPUBLIC SURETY COMPANY

Lisa Frasier
Claims Director
Claims@orsurety.com
(262) 797-2642

Dictated, but not read.
Sent absent review to
avoid delay.

LF/lc



OLD REPUBLIC INSURANCE GROUP