



# VARNUM PUBLIC SCHOOL DISTRICT

Forensic Audit Report

March 19, 2026

**Cindy Byrd, CPA**  
State Auditor & Inspector

**Varnum Public School District**  
**Forensic Audit Report March**  
**March 19, 2026**



March 19, 2026

**TO ERIK JOHNSON, DISTRICT ATTORNEY, DISTRICT 22**

Pursuant to a request, and in accordance with the requirements of 74 O.S. § 212(H), we performed an investigative audit of the Varnum Public School District for the period June 1, 2018, through June 30, 2022.

The goal of the State Auditor and Inspector is to promote accountability and fiscal integrity in state and local government. Maintaining our independence as we provide services to the taxpayers of Oklahoma is of utmost importance.

This report is a public document pursuant to the Oklahoma Open Records Act in accordance with 51 O.S. §§ 24A.1, *et seq.*

Sincerely,

A handwritten signature in blue ink that reads "Cindy Byrd".

CINDY BYRD, CPA  
OKLAHOMA STATE AUDITOR & INSPECTOR



## Varnum Public School District Forensic Audit Report

### Why This Audit Was Performed

This audit was conducted at the request of the District Attorney, District 22, in accordance with 74 O.S. § 212(H). It was initiated in response to concerns raised in prior independent audits and by the Seminole County Sheriff's Office regarding possible misappropriation of funds by former administrative staff.

### What Was Found

#### Check Tampering Scheme<sup>1</sup>

**Finding**      **Stacey Benard misappropriated \$9,621.80 in District funds through a check tampering scheme.**

During the audit period fraudulent payments, totaling \$9,621.80, were issued to Stacey Benard. These transactions were entered into the District's accounting records as checks payable directly to vendors. The payees were subsequently changed<sup>2</sup> in the accounting software and printed as payable to Benard. She then endorsed and deposited these checks into her personal bank account.

Summary of Checks with Falsified Payees			
Fund	Payee on the Cleared Check	Payee in District's Accounting System	Amount
General Fund	Stacey Benard	Blocks!	\$2,320.00
General Fund	Stacey Benard	OG&E	\$1,989.58
Activity Fund	Stacey Benard	New Ideas Screen Printing	\$1,867.00
General Fund	Stacey Benard	Treasure Bay, Inc.	\$1,504.48
General Fund	Stacey Benard	Lowe's	\$859.86
Activity Fund	Stacey Benard	Team Leader	\$825.88
Activity Fund	Stacey Benard	John Allen	\$150.00
Activity Fund	Stacey Benard	Charles Lumley	\$105.00
		<b>Total</b>	<b>\$9,621.80</b>

Disbursements from activity accounts should not be used for any purpose other than that for which the account was originally created.<sup>3</sup> Additionally, the use of public funds for any unauthorized purpose is prohibited by law.<sup>4</sup>

<sup>1</sup> A check tampering scheme is a form of financial fraud in which someone intercepts, forges, or alters, a check to divert funds for personal benefit. This can include changing the payee or amount on a check, forging signatures, or issuing unauthorized checks. (Association of Certified Fraud Examiners)

<sup>2</sup> The accounting software allowed users with specific permissions to print checks to a payee other than the payee officially recorded in the accounting software.

<sup>3</sup> 70 O.S. § 5-129(A)

<sup>4</sup> 21 O.S. § 1451(A)

Examples of Checks Improperly Paid to Stacey Benard

Example 1

The General Fund Payment Register Report from the District’s accounting system for check #46, dated July 27, 2020, in the amount of \$2,320.00, reflected the payment was made to the vendor “BLOCKS,” thereby concealing that the actual check was made payable to Stacey Benard.

01/28/2025 11:36:58 AM		<b>Varnum Public Schools</b>				Page 1 of 32	
<b>Payment Register</b>							
Options: Year: 2020-2021, Fund Account: GEN FUND-FOR OP, Date Range: 7/1/2020 - 6/30/2021, Print Payroll Payments: True, Print Details: False							
Payment No	Date	Vendor No	Vendor	Type	Date Voided	Void Amount	Amount
46	07/27/2020	53262	BLOCKS!				\$2,320.00

The check was endorsed by Benard and deposited into her personal bank account.<sup>5</sup>



This same transaction was wrongly reported to the school board in the August 13, 2020, board meeting on the Encumbrance Register as a payment to “BLOCKS!”

8. Motion was made by White with a second by Biffle to approve FY21 General Fund Encumbrances 80-100 and Payments 15-93. Roll Call: Porter Yes, White Yes, and Biffle Yes.

08/14/2020 2:17:28 PM		<b>Varnum Public Schools</b>				<u>GF</u> Page 1 of 1	
<b>Encumbrance Register</b>							
Options: Year: 2020-2021, Date Range: 7/1/2020 - 6/30/2021, PO Range: 80 - 100, Fund Codes: 11							
und	PO No	Date	Vendor No	Vendor	Description	Amount	
11	80	07/01/2020	53243	Oklahoma Folding Carton	MASKS & SHIELDS	2,400.00	
11	82	07/01/2020	215	MIDWEST SIGN	State Banners	780.00	
11	83	07/15/2020	208	SOONER PRESS	Stamp for school board	25.00	
11	84	07/20/2020	53259	IXL Learning	Subscription/ Site License	4,680.00	
11	85	07/20/2020	53260	United Rentals	Equipmental rental	1,016.70	
11	86	07/21/2020	53261	Carter Construction	GRAVEL FOR PLUMBING WORK	1,950.00	
11	87	07/24/2020	53262	BLOCKS!	CHROMEBOOK CONTENT MANAGEMENT	2,320.00	

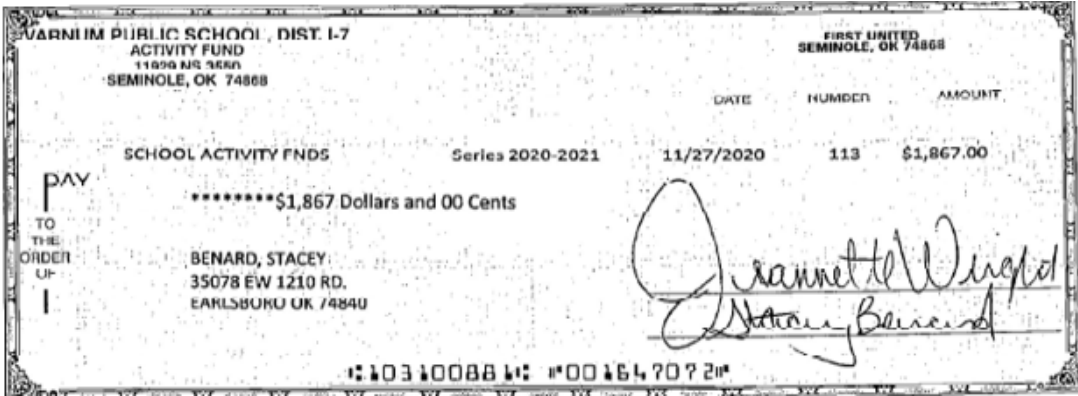
<sup>5</sup> Jeannette Wright, District Treasurer, also stated that the signature on this check was not hers.

Example 2

The Activity Fund Payment Register Report from the District’s accounting system for check #113, dated November 27, 2020, in the amount of \$1,867.00, shows the payment to Stacey Benard was concealed in the system by using the vendor “NEW IDEAS SCREEN PRINTING.”

01/28/2025 11:39:21 AM		<b>Varnum Public Schools</b>			Page 1 of 6		
<b>Payment Register</b>							
Options: Year: 2020-2021, Fund Account: SCHOOL ACTIVITY FNDS, Date Range: 7/1/2020 - 6/30/2021, Print Payroll Payments: True, Print Details: False							
Payment No	Date	Vendor No	Vendor	Type	Date Voided	Void Amount	Amount
113	11/27/2020	80250	NEW IDEAS SCREEN PRINTING				\$1,867.00

Activity Fund check #113 was issued to Stacey Benard, not the vendor noted in the District’s accounting records. The check was endorsed by Benard and deposited into her personal bank account.<sup>6</sup>



**Misappropriation of Cash Collections**

**Finding**      **Stacey Benard misappropriated \$9,581.55 in District Activity Fund cash receipts.**

During FY 2021, cash collections from fundraisers, event gate fees, and concession sales, all funds that were required to be deposited into the Activity Fund, exceeded recorded bank deposits by at least \$9,581.55. A comparison of collection records to corresponding bank deposit receipts indicated that deposits were routinely made in amounts less than those collected.

The actual loss may be greater. The review was limited to deposits for which supporting documentation was available, and numerous records were missing. In FY 2021, at least \$48,888 in cash deposits lacked supporting documentation. Similarly, in FY 2020, at least \$40,615 in cash deposits were unsupported.

All deposits should have been supported by appropriate documentation, such as a *Fundraiser Deposit Form*, *Student Cash Roster* form, or *Activity Fund Count* form, These documents establish evidence of collections and enable verification of amounts remitted. Without these

<sup>6</sup> Jeannette Wright, District Treasurer, stated that the signature on this check was not hers.

forms, a full accounting of funds collected and to be credited to the Activity Fund could not be made. Examples of the forms are shown below.

Varnum Public School  
ACTIVITY FUND

Date: 4-3-21

Concession \_\_\_\_\_ Gate X

	Beginning Count	Ending Count
Pennies	_____	_____
Nickels	_____	_____
Dimes	_____	_____
Quarters	_____	_____
Half Dimes	_____	_____
Others	_____	_____
Ones	<u>100.-</u>	<u>109.-</u>
Fives	<u>240.-</u>	<u>315.-</u>
Tens	<u>60.-</u>	<u>30.-</u>
Twenties	_____	<u>420.-</u>
Fifties	_____	_____
Hundreds	_____	_____
Checks	<u>0</u>	_____
Total	<u>\$400.-</u>	_____
Ending Count	_____	<u>874</u>
Beginning Count	_____	<u>400</u>
Total Deposit (Less Beginning Amount)	_____	<u>474</u>

**Fundraiser Deposit Form**

Sub-account Number: \_\_\_\_\_ Date: 3/2/21

Sub-account Name: \_\_\_\_\_ Site: \_\_\_\_\_

From the sale of: \_\_\_\_\_ Source Code: \_\_\_\_\_

**STUDENT CASH ROSTER**  
For Cash Received under Five Dollars (\$5.00)

Teacher Scott Date 4/12/21

Purpose of Income: candy & snacks

Mark cash or check

COLLECTED FROM	AMOUNT	CASH	CHECK
<u>Maddie</u>	<u>3.50</u>		
<u>Mrburp</u>	<u>5.00</u>		

Benard was the Activity Fund Custodian/Secretary and was responsible for ensuring that cash deposits were properly documented and reconciled with recorded collections. She acknowledged personally preparing all deposit tickets and asserted that, at the time of preparation, the ticket amounts matched the collection totals reflected in the District’s records. However, evidence showed that corresponding bank deposits did not agree with recorded collections, indicating a misappropriation of cash totaling \$9,581.55.

Statute<sup>7</sup> requires that funds collected for Activity Fund purposes shall be deposited to the credit of the account maintained for the benefit of each particular activity within the school Activity Fund. Administrative Code<sup>8</sup> further requires that all monies received for Activity Funds be turned into the school Activity Fund custodian who should maintain written reconciliations of events and reconcile cash receipts with the bank deposits. Reconciliation records could not be provided.

The funds that were collected for the Activity Fund were not properly deposited as required, a violation of law.<sup>9</sup>

Example of Misappropriation of Cash

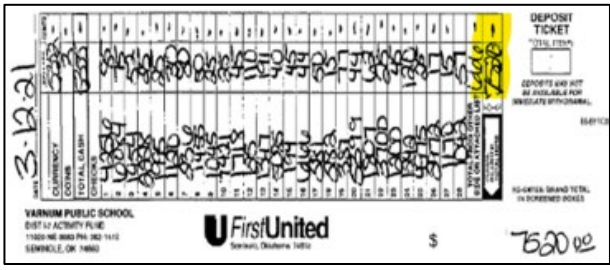
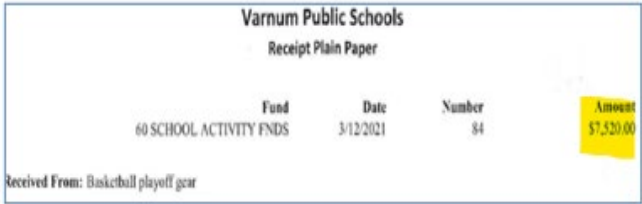
The *Fundraiser Deposit Form* shown, dated March 11, 2021, documented total collections of \$8,866, verified by signatures from the Activity Sponsor, JM Hadly, and the Activity Fund Custodian, Stacey Benard. The collections consisted of \$3 in coins, \$6,698 in bills, and \$2,165 in checks. Benard was responsible for recording this amount in the District’s accounting system,

<sup>7</sup> 70 O.S. § 5-129  
<sup>8</sup> 210:25-5-13  
<sup>9</sup> 21 O.S. § 1451(A)

preparing the corresponding bank deposit, and ensuring that the deposit receipt matched the reported total and was deposited in the bank.

The amount recorded in the accounting system on March 12, 2021, was \$7,520, a reduction of \$1,346 from the *Fundraiser Deposit Form* submitted by the Activity Sponsor.

A deposit ticket found in the District's files reflected that the originally created deposit ticket matched the \$8,866 total shown on the *Fundraiser Deposit Form*. However, the actual deposit ticket provided by the bank reflected a deposit of \$7,520, indicating that \$1,346 in cash was not deposited.



**Improper General Fund Check Payees**

**Finding** During the audit period Stacey Benard used a check tampering scheme to redirect \$28,366.51 in General Fund money to cover Activity Fund transactions.

Prior to printing checks, Benard changed the payee information already in the District's accounting system for 20 General Fund checks totaling \$28,366.51. These General Fund monies were used to improperly pay Activity Fund expenses, either by paying Activity Fund vendors directly or by issuing checks to "Varnum School" or "Varnum AF" to be deposited into the Activity Fund to cover previously incurred debit card transactions. The Varnum School/AF checks were subsequently deposited into the Activity Fund.

It could not be determined whether these transactions occurred to cover Activity Fund overspending, or whether they were to cover shortages that were the result of Activity Fund cash misappropriations. Per law,<sup>10</sup> a school district is prohibited from using General Fund monies in the school activity account.

<sup>10</sup> 1997 OK AG 6; 70 O.S. § 5-129; 70 O.S. § 5-158

Improper General Fund Check Payees					
Check Date	Payee in Accounting System	Payee on the Cleared Check	District Ck #	Bank Ck #	Amount
6/10/2019	OG&E	Little Ceasars	12059	1068	\$2,040.00
7/20/2020	NWEA	Little Ceasars	13553	17	\$3,562.50
9/23/2020	The Computer Specialist	New Ideas Printing	13666	297	\$4,706.75
3/11/2021	The Computer Specialist	Team Leader	13307	903	\$3,525.93
4/6/2021	Keystone Food Service	OSSAA	13380	983	\$6,213.00
4/6/2021	Montana Mike's	Varnum School	10310	1123	\$226.74
4/6/2021	Lierman Graduate Services	Varnum Activity Fund	13378	982	\$819.00
5/8/2021	San Luis Mexican Restaurant	Varnum School	13283	1133	\$201.39
5/8/2021	Wal-Mart Community	Varnum School	13282	1144	\$1,935.80
5/8/2021	Daylight Donuts	Varnum School	13285	1222	\$167.00
5/27/2021	Firelake Grocery	Varnum School	13286	1223	\$140.59
5/27/2021	Lowe's	Varnum School	13287	1224	\$117.86
5/27/2021	P & K Equipment	Varnum School	13288	1225	\$232.70
5/27/2021	Sam's Club Direct	Varnum School	13289	1226	\$1,441.96
5/27/2021	Staples	Varnum School	13290	1227	\$38.97
5/27/2021	The Chef Store	Varnum School	13291	1228	\$895.47
5/27/2021	Wal-Mart Community	Varnum School	13292	1229	\$1,556.92
6/30/2021	Oklahoma Aquarium	Varnum AF	1500	1500	\$216.00
6/30/2021	Shawnee Splash	Varnum AF	1509	1509	\$172.00
6/30/2021	Wal-Mart Community	Varnum AF	1514	1514	\$155.93
				<b>Total</b>	<b>\$28,366.51</b>

Example 1 - Alteration of General Fund Payee

The General Fund Payment Register showed Keystone Food Service as the payee for check #983, dated April 6, 2021, in the amount of \$6,213.00.

Payment No	Date	Vendor No	Vendor	Type	Date Voided	Void Amount	Amount
983	04/06/2021	53198	KEYSTONE FOOD SERVICE				\$6,213.00

The actual payee on canceled check #983 was the Oklahoma Secondary School Activities Association, an Activity Fund expense.<sup>11</sup>



Example 2 - Alteration of General Fund Payee

Check #1228, dated May 27, 2021, in the amount of \$895.47, was recorded in the General Fund Payment Register as a payment to "The Chef Store." Check #1228 that cleared the bank

<sup>11</sup> Jeannette Wright, District Treasurer, stated that the signature on this check was not hers.

was payable to "Varnum School" and was deposited in the Activity Fund to cover a debit card purchase that had been made directly with the "The Chef Store" from the Activity Fund.

01/28/2025 11:36:58 AM		Varnum Public Schools		Page 26 of 32	
Payment Register					
Options: Year: 2020-2021, Fund Account: GEN FUND-FOR OP, Date Range: 7/1/2020 - 6/30/2021, Print Payroll Payments: True, Print Details: False					
Payment No	Date	Vendor No	Vendor	Type	Amount
1228	05/27/2021	53015	The Chef Store		\$895.47

May 10 Direct Payment out of Activity Fund

First United  
SPEND LIFE WISELY®  
Date 5/28/21  
Primary Account 1647072  
Enclosures 29  
5/10 POS DEB 1255 05/08/21 00344112 895.47-  
CHEFSTORE OKC 8101  
CHEFSTORE OKC 8101  
OLATHE KS C#84283

May 28 General Fund Check Deposited Into Activity Fund

THE BOARD OF EDUCATION  
VARNUM PUBLIC SCHOOL  
1-007 Seminole County  
Seminole, Oklahoma  
WARRANT/CHECK  
PAYABLE THROUGH  
FIRST UNITED BANK  
DURANT, OKLAHOMA  
05-08-1901  
TO THE TREASURER  
GEN FUND-FOR OP Series 2020-2021 05/27/2021 1228 \$895.47  
\*\*\*\*\*\$895 Dollars and 47 Cents  
Varnum School  
OK  
Amy M. Forster  
Jeannette Wright

**Altered Bank Statement**

A copy of the May 2021 General Fund bank statement provided to the State Auditor & Inspector Office (SA&I) by District Treasurer Jeannette Wright reflected canceled check 1228 was payable to "The Chef Store," consistent with the information in the District's accounting software. However, the official bank-issued statement received from the bank, showed the actual payee on check 1228 was "Varnum School." This indicated that the statement provided by the Treasurer had been altered to align with District records in order to conceal the actual payee. Per Wright, the altered bank statement was handed to her by Superintendent Brewer.

Bank Statement Provided to Treasurer

THE BOARD OF EDUCATION  
VARNUM PUBLIC SCHOOL  
1-007 Seminole County  
Seminole, Oklahoma  
WARRANT/CHECK  
PAYABLE THROUGH  
FIRST UNITED BANK  
DURANT, OKLAHOMA  
05-08-1901  
TO THE TREASURER  
GEN FUND-FOR OP Series 2020-2021 05/27/2021 1228 \$895.47  
\*\*\*\*\*\$895 Dollars and 47 Cents  
The Chef Store  
515 W. Interstate 240 Service Rd  
Oklahoma City OK 73139  
Amy M. Forster  
Jeannette Wright

Bank Statement From Bank

THE BOARD OF EDUCATION  
VARNUM PUBLIC SCHOOL  
1-007 Seminole County  
Seminole, Oklahoma  
WARRANT/CHECK  
PAYABLE THROUGH  
FIRST UNITED BANK  
DURANT, OKLAHOMA  
05-08-1901  
TO THE TREASURER  
GEN FUND-FOR OP Series 2020-2021 05/27/2021 1228 \$895.47  
\*\*\*\*\*\$895 Dollars and 47 Cents  
Varnum School  
OK  
Amy M. Forster  
Jeannette Wright

Only one month of altered bank statements was provided. It is unknown whether additional statements were altered. The altered statement was presented to the independent auditor at the time of discovery.


**Activity Fund Expenditure Paid Directly out of the General Fund**

**Finding** A General Fund check for \$4,074.40 was improperly issued to pay for Activity Fund purchases.

General Fund Purchase Order No. 149 was created on January 1, 2021, to pay three invoices related to the the Cheer Activity Fund payable to Cheerzone. General Fund Check No. 755 was subsequently issued on January 28, 2021, to pay these Activity Fund obligations. State law prohibits a school district from using General Fund resources to pay expenditures of the activity fund.<sup>12</sup>

<b>Options:</b> Year: 2020-2021, Fund(s): GEN FUND-FOR OP, Date Range: 7/1/2020 - 6/30/2021			
<b>Vendor No:</b> 290	<b>PO No:</b> 149	<b>Date:</b> 01/01/2021	<b>Description:</b> Uniforms
<b>Vendor:</b> CHEER ZONE			
302 EAST OHMER ROAD MAYVILLE MI 48744	<b>Encumbered:</b> 4,074.40	<b>Certified:</b> 4,074.40	<b>Paid:</b> 4,074.40
	<b>Open:</b> 0.00		
<b>Classification</b>	<b>Payment No</b>	<b>Date</b>	<b>Amount</b>
000-1000-657-800-3300-000-705	755	01/28/2021	4,074.40
<b>Invoice No</b>	<b>Date</b>	<b>Amount</b>	<b>Date Received</b>
148727	1/1/2021	2,656.50	1/28/2021
149465	1/1/2021	689.88	1/28/2021
156595	1/1/2021	728.02	1/28/2021

The actual dates on the three Cheerzone invoices were August 3, 2020, August 17, 2020, and November 20, 2020.




**Invoice #: SI-148727**

**Tax date:** 03 Aug 2020  
**Date due:** 03 Aug 2020

**PO#2- orders (+157894) PO#2020-60-236 Signed and spoke to Stacey Benard Superintendent Secretary**

**Customer:** stacey bernard  
**Company:** Varnum Public Schools

<b>Total</b>	<b>\$2656.50</b>
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**Invoice #: SI-149465**

**Tax date:** 17 Aug 2020  
**Date due:** 17 Aug 2020

**PO#2 orders (+157895) PO#2020-60-236 on file 7-8-2020 Stacey Benard- Superintendent Secretary - Spoke to her as well.**

**Customer:** stacey bernard  
**Company:** Varnum Public Schools

<b>Total</b>	<b>\$689.88</b>
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**Invoice #: SI-156595**

**Tax date:** 20 Nov 2020  
**Date due:** 20 Nov 2020

**PO#PO #2021-60-37 Signed Stacey Benard Supt Sec**

**Customer:** stacey bernard  
**Company:** Varnum Public Schools

<b>Total</b>	<b>\$728.02</b>
<b>Paid to date</b>	<b>\$728.02</b>

<sup>12</sup> 1997 OK AG 6; 70 O.S. § 5-129; 70 O.S. § 5-158

At the time of these transactions, the Cheer Activity Fund account did not have a sufficient balance to cover the related expenditures. As the cheer sponsor, Benard was responsible for overseeing cheer fundraising activities, related collections and deposits, and monitoring the account balance.

The use of General Fund resources to pay Activity Fund expenses indicated that either fundraising revenues were insufficient to support program expenditures or that collected funds were not properly deposited or accounted for within the Cheer Activity Fund.

**Stacey Benard Employment**

Benard signed a "Resignation Agreement" dated August 24, 2021. The Agreement stated that the District believed that the employee had embezzled funds from its accounts and included the following provision:

*"Both parties agree that the factual allegations are disputed, that no official findings have been made by District's Board of Education, and that this agreement resolves the matter prior to any formal findings."*

Although the Agreement expressly stated that the allegations were disputed and that no formal findings had been made, Benard nevertheless acknowledged misconduct and agreed to repay \$50,000. This created an apparent inconsistency between the District's position that no findings had been reached, and the inclusion of a repayment obligation tied to alleged embezzlement.

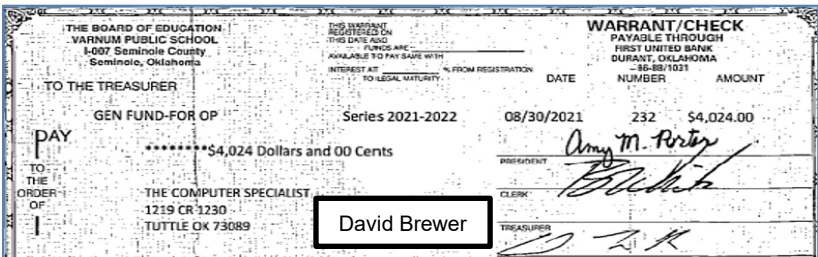
No individuals interviewed by SA&I could explain how the \$50,000 figure was determined. Additionally, there was no documentation supporting that amount. Benard made two \$500 payments before discontinuing further payments on the advice of her legal counsel.

**Additional Concerns**

**Signing of General Fund Checks**

***Finding Former Superintendent David Brewer signed General Fund checks in violation of statute.***

A review of canceled checks indicated that Brewer signed multiple General Fund checks as the District's treasurer. Per statute<sup>13</sup> the treasurer should sign each warrant or check through individual signature or approved facsimile. Benard stated during an interview that she also routinely signed Brewer's name on checks which would also be improper.



<sup>13</sup> 70 O.S. § 5-135(H)

**Kandle Brewer Accounting Software User Access Rights**

Kandle Brewer, Superintendent Brewer's spouse, taught at Varnum from August 2014 through May 2021, and also held additional roles during her tenure including Curriculum Specialist, Remedial Specialist, Counselor, Psychologist, and CCLC Co-Director.

The District's records showed that Kandle Brewer was granted full user access to the accounting system, including payroll and accounts payable access that could only have been approved by Superintendent Brewer. A review of Kandle Brewer's contracts revealed no justification for this access.

**PayPal**

***Finding***      ***PayPal expenditures totaling \$2,105.93 were not properly encumbered or approved by the Board.***

Superintendent Brewer established a Paypal account in his name. Per District staff, Brewer was the sole user of the account, making both personal and District-related purchases through the account. This complicated the reconciliation process and made it difficult to distinguish between District and personal transactions.

- In FY 2021, the District paid \$4,786.16 in PayPal purchases. Of this amount, \$2,105.93 (44%) was not encumbered or approved by the Board prior to purchase.
- One transaction, the purchase of a sports camera purchased by Brewer through PayPal for \$979.05 could not be located at the school.

**Amazon**

***Finding***      ***Supporting documentation could not be provided for 27 of 61 Amazon purchases reviewed.***

Records indicated that the District began using an Amazon account as early as 2017 under an Amazon Corporate Credit Line. Documentation related to these purchases was poorly organized, making it extremely difficult to reconcile receipts, statements, and purchase orders. Procedures for Amazon purchases did not appear to be consistent, and staff reported widespread confusion regarding the handling of deliveries.

- Between June 2018 and June 2020, District Amazon expenditures, paid from both General Fund and Activity Fund accounts, totaled \$92,593.48.
- Of 61 payments reviewed, 27 had no supporting documentation.

**Undocumented Purchases**

***Finding***      ***Of 77 Activity Fund debit card transactions reviewed for FY 2021, all 77 transactions, totaling \$8,300.94, lacked supporting documentation.***

***Finding***      ***Of 206 Activity Fund and General Fund check purchases tested, 150, or 73%, did not include adequate supporting documentation or contained conflicting records.***

Both statute<sup>14</sup> and Oklahoma Administrative Code<sup>15</sup> require that all purchases from the School's General Fund and Activity Fund shall not be paid unless itemized invoices or delivery tickets are furnished.

The absence of supporting documentation prevented verification that expenditures were appropriate, properly authorized, and for legitimate school purposes. This condition increased the risk of fraud, misuse of public funds, and is in noncompliance with state law.

The District should require itemized invoices or receipts for all purchases prior to payment and implement supervisory review controls to ensure compliance with law.

### **Unauthorized Account Signers**

First United Bank records indicated that Board members Amy Porter and Brian White were never added as authorized signers on the District's General Fund bank account. Of 107 checks reviewed, all had the unauthorized signatures of Porter, the Board President, and of White, the Board Clerk.

Per bank signature cards, Benard was not an authorized signer on the Activity Fund. All checks issued during the audit period were improperly signed by Benard.

Per Treasurer Jeannette Wright, Benard improperly signed Wright's name on numerous checks without her knowledge or approval.

The combination of using a signature stamp for Board members, individuals signing without authorization (Board, Benard, and Brewer) and the accepted practice of signing for other individuals greatly contributed to the findings in this report.

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<sup>14</sup> 70 O.S. § 5-135

<sup>15</sup> 210:25-5-13(k)

**DISCLAIMER**

*In this report, there may be references to state statutes and legal authorities which appear to be potentially relevant to the issues reviewed by the State Auditor & Inspector's Office. This Office has no jurisdiction, authority, purpose, or intent by the issuance of this report to determine the guilt, innocence, culpability, or liability, if any, of any person or entity for any act, omission, or transaction reviewed. Such determinations are within the exclusive jurisdiction of regulatory, law enforcement, prosecutorial, and/or judicial authorities designated by law.*