

October 28, 2010

Valerie Addis
Food Services Supervisor

Dear Ms. Addis:

During the week of October 18, 2010, I conducted an investigation regarding the billing of concession stand invoices to the District since April, 2010. This investigation was the result of a finding that the District was being billed for products purchased for the concession stand run by Bear Creek, LLC and for products that you used during an outside catering event. Bear Creek, LLC was awarded the contract to run the concession stand beginning in January, 2010, however, events did not begin until Spring. Given your position with the District, Scott Reed met with you to make sure that you understood how critical it was to separate the business of the District from the business of Bear Creek. Your involvement with the concession stand and position with the District required that you operate with the highest degree of care.

Despite the importance of maintaining a clear separation between the business of the concession stand and your duties to the District, the District was billed for products, and in some cases paid for products, used in the operation of the concession stand and the outside catering event. These actions are the result of careless management practices, including the failure to carefully review and approve invoices; and the failure to appropriately separate personal ventures from professional obligations, including poor communication and attention to detail in the operation of the food service program. You will be expected to repay the District the amounts expended by the District in the operation of the concession stand and outside catering event. The amount that you must repay is \$735.08, representing the following invoices:

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|---------|------------------|----------|
| 402 | Mt Food Products | \$212 |
| 6240742 | FSA | \$102.87 |
| 6110526 | FSA | \$ 86.38 |
| 6118213 | FSA | \$118.88 |
| 6076615 | FSA | \$ 63.94 |
| 6086171 | FSA | \$104 |
| 6078182 | FSA | \$ 47.01 |

In addition to the foregoing, the District received invoices from Sheehan Majestic, Pepsi, Montana Food Products and B&R for products used in the concession stand. While the District did not pay for these

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| 6076615 | FSA | \$ 63.94 |
| 6086171 | FSA | \$104 |
| 6078182 | FSA | \$ 47.01 |

In addition to the foregoing, the District received invoices from Sheehan Majestic, Pepsi, Montana Food Products and B&R for products used in the concession stand. While the District did not pay for these particular invoices, it is imperative that you direct that these companies immediately cease and desist billing the District for past services provided to you or Bear Creek. We expect that you will communicate with these companies and/or satisfy the obligation associated with the billing.

Although I have determined that the District's payment of invoices associated with the operation of the concession stand by Bear Creek, and associated with the outside catering event, were the result of careless management practices and not done with the intent to defraud, your actions warrant discipline.

Scott Reed will meet with you to issue discipline and discuss expectations for future processing of District invoices. You may have representation at this meeting should you choose. A copy of this letter will go into your personnel file.

Sincerely,



Pat McHugh

Valerie Addis received copy on 10-28-10