

On Monday, February 5, 2018, Chris Warnock, TBB Treasurer, was notified by Cathy Ruthroff, TBB President, that, she (Cathy Ruthroff) had caused unauthorized debit card withdrawals from the TBB checking account inadvertently. The Board had recently approved Cathy Ruthroff, as the TBB President, as 1 of 2 people on the TBB Board authorized to withdraw approved funds from the TBB checking account and to be issued a debit card with a distinct number.

Chris Warnock investigated and determined that not only were there multiple unauthorized debit card transactions using the card issued to Cathy Ruthroff to various vendors in various amounts made over an approximate two-week period, but also an unauthorized wire transfer and an unauthorized cash withdrawal. Chris Warnock requested Cathy Ruthroff to repay the funds immediately and advised she would provide a total amount owed to Cathy Ruthroff on Tuesday, February 6, 2018.

On Tuesday, February 6, 2018, Chris Warnock investigated further and determined that the wire transfer amount of \$5,000.00 and the cash withdrawal amount of \$2,000.00 could not have been made inadvertently and they would have required ID per bank policy as they appeared to have been made in person based on the statement line item.

On Tuesday, February 6, 2018, Chris Warnock presented Cathy Ruthroff with an accounting of the funds removed without authorization in the total amount of \$8,732.35, including the \$5,000.00 wire transfer and the \$2,000.00 cash withdrawal, as well as the debit card transactions. Cathy Ruthroff took the accounting but did not return the funds.

On Wednesday, February 7, 2018, Chris Warnock contacted Kathryn Martin, Vice President, to advise her of the situation. Immediate steps were taken to secure remaining funds in the TBB checking account and an emergency TBB Board meeting was called. Based on the unauthorized removal of \$8,732.35 of TBB funds and failure to repay it, the Board voted to remove Cathy Ruthroff as president effective immediately and to report the matter to legal authorities and Tahoma School District.

On Thursday, February 8, 2018, the matter was reported to legal authorities and TSD was advised of Cathy Ruthroff's removal from the Board. Cathy Ruthroff was advised of her removal from the Board and that the matter had been referred to the legal authorities and the school notified.

Since February 8, 2018, the Board has made numerous efforts informally with Cathy Ruthroff to allow her the opportunity to willingly return the unauthorized funds. Cathy Ruthroff has confirmed to the Board that she did cause all of these funds to be removed, including the wire transfer and cash withdrawal. These efforts have failed.

On Tuesday, February 27, 2018, the Board voted to proceed with prosecution and to notify the general membership of the status of the current Board and TBB checking account at the general membership meeting to be held on March 6, 2018. The Board also resolved to use this situation to construct further financial policy safeguards.

As of the posting of this notice, legal authorities are investigating and all further inquiry needs to be directed there.