

Via Electronic Mail to dbirdwell@susd.org

Dr. A. Denise Birdwell

Superintendent

SCOTTSDALE UNIFIED SCHOOL DISTRICT

8500 East Jackrabbit Rd.

Scottsdale, AZ 85250

Re: Resignation

Dear Dr. Birdwell:

I write regarding the recent questioning of my integrity arising from my role as a former shareholder in the Professional Group, my role as the Scottsdale Unified School District's ("District") chief financial officer and the fact that Caroline Brackley (the principal of the Professional Group) is my sister. As you know, I completed three conflict of interest statements revealing my past relationship with the Professional Group. Although it is common knowledge in Arizona education circles that Caroline is my sister, I inadvertently erred in not also disclosing that on the conflict of interest forms. It was a genuine and innocent mistake.

I did not intentionally act to reward the Professional Group while serving as the District's chief financial officer. I became chief financial officer in May. The Professional Group suspended my active ownership and participation on May 1, 2017 because of my new duties at the District. By the end of the month, my interest in the Professional Group was valued; the Professional Group board accepted my request to buy my interest.

However, we have learned that I mistakenly signed two change orders regarding purchase orders to compensate the Professional Group for services. It was an inadvertent mistake. Neither change order contained the vendor name. They were only identified numerically. I sign dozens a week and those two were not flagged as benefitting the Professional Group so they slipped through the cracks. My signing them was no more than a ministerial error. One change order was to close a PO and the other was to increase by \$2,000.

My career has been devoted to helping school districts maximize financial resources to help our students. My single, honest mistake and two inadvertent errors are now being unfairly extrapolated into something sinister. It is not sinister nor dishonest. Nevertheless, District resources and energy are being expended when they could be better directed to helping our students. The focus should be on the District's major issues rather than my ancillary situation. Therefore in order to remove the distraction, I will resign my position as Chief Financial Officer, effective immediately. I thank you, the Governing Board and staff for the opportunity to have served the District.

Very truly yours,



Laura T. Smith

Chief Financial Officer, SUSD