

**Financial Statements and Reports of  
Independent Certified Public Accountant  
Stillwater School District No. I-16  
Payne County, Oklahoma  
June 30, 2012**

**TURNER & ASSOCIATES, PLC  
Certified Public Accountants  
P.O. Box 378  
Vinita, OK 74301  
(918) 256-6788**

**Stillwater School District No. I-16  
Payne County, Oklahoma  
School District Officials  
June 30, 2012**

**Board of Education**

President	Dr. Michael Dicks
Vice-President	Debra Vincent
Member	Eric Gudgel
Member	John Price
Member	Kevin Clark

**Superintendent of Schools**

Dr. Anne Caine

**School District Treasurer**

Phillip Storm

**Minute Clerk**

Annette Jones

**Financial Accountant**

Dian Porter

**Activity Funds Custodian**

Kelle Otto

**Stillwater School District No. I-16**  
**Payne County, Oklahoma**  
**Table of Contents**

Independent Auditor's Report	1-2
Reports Required by <i>Government Auditing Standards</i> :	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters based on an Audit of the Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	3-4
Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133	5-6
<b>Combined Financial Statements</b>	
Combined Statement of Assets, Liabilities and Fund Balances All Fund Types and Account Groups - Regulatory Basis	7
Combined Statement of Revenues, Expenditures and Changes in Fund Balance - All Governmental Fund Types - Regulatory Basis	8
Combined Statement of Revenues Collected, Expenditures Paid and Changes in Fund Balance, Budget and Actual (Regulatory Basis) - General and Special Revenue Funds	9
<b>Notes to Financial Statements - Regulatory Basis</b>	10-30
<b>Other Supplementary Information</b>	
Combining Statement of Assets, Liabilities and Fund Balances (Regulatory Basis) - All Special Revenue Funds	31
Combining Statement of Revenues Collected, Expenditures Paid and Changes in Fund Balance (Regulatory Basis) - All Special Revenue Funds	32
Combining Statement of Revenues Collected, Expenditures Paid and Changes in Fund Balance, Budget and Actual (Regulatory Basis), Budget and Actual - All Special Revenue Funds	33-34
Combining Statement of Assets, Liabilities and Fund Balances (Regulatory Basis) - All Special Revenue Funds	35
Combining Statement of Revenues Collected, Expenditures Paid and Changes in Fund Balance (Regulatory Basis) - All Special Revenue Funds	36
Combining Statement of Changes in Assets, Liabilities and Fund Balance (Regulatory Basis) - Fiduciary Fund - Fiduciary Funds	37-55
<b>Supporting Schedules</b>	
Schedule of Expenditure of Federal Awards	56-57
Schedule of Accountant's Professional Liability Insurance Affidavit	58
Schedule of Findings and Questioned Costs	59-60
Summary Schedule of Prior Audit Findings	61



## INDEPENDENT AUDITOR'S REPORT

The Honorable Board of Education  
Stillwater School District No. I-16  
Stillwater, Payne County, Oklahoma

We have audited the accompanying combined fund type and account group financial statements – regulatory basis of Stillwater School District No. I-16, Payne County, Oklahoma, as listed in the table of contents as combined financial statements, as of and for the year ended June 30, 2012. These financial statements are the responsibility of the Stillwater School District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, these financial statements were prepared in conformity with the accounting and financial reporting regulations prescribed or permitted by the Oklahoma State Department of Education, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The effect on the financial statements resulting from the use of this regulatory basis of accounting and presentation as compared to accounting principles generally accepted in the United States of America cannot be reasonably determined, but is considered material.

In our opinion, because the District's policy is to prepare its combined financial statements on the basis of accounting discussed in the third paragraph, the combined financial statements referred to in the first paragraph do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Stillwater School District No. I-16, as of June 30, 2012, and the respective changes in financial position thereof for the year then ended.

The financial statements referred to above do not include the general fixed assets account group, which is a departure from the regulatory basis of accounting prescribed by the Oklahoma State Department of Education. The amount that should be recorded in the general fixed asset account group is not known.

However, in our opinion, except for the effects of the omission of the general fixed assets account group, the combined financial statements referred to in the first paragraph present fairly, in all material respects, the assets, liabilities and fund balance arising from regulatory basis transactions of each fund type and account group of Stillwater School District No. I-16, as of June 30, 2012, and the revenues collected and expenditures paid and encumbered for the year then ended on the regulatory basis of accounting described in Note 1.

Our audit was conducted for the purpose of forming opinions on the fund type and account group financial statements within the combined financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the combined financial statements. The combining statements of changes in assets and liabilities of the fiduciary funds-regulatory basis and other schedules listed as supplemental information in the table of contents, are presented for purposes of additional analysis and are not a required part of the combined financial statements of the District. The combining statement of changes in assets and liabilities of the fiduciary funds-regulatory basis and other schedules listed as supplemental information in the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the fund type and account group financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 2, 2012, on our consideration of Stillwater School District No. I-16's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

TURNER & ASSOCIATES, PLLC

Vinita, Oklahoma  
November 2, 2012



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING  
STANDARDS***

The Honorable Board of Education  
Stillwater School District No. I-16  
Stillwater, Payne County, Oklahoma

We have audited the accompanying fund type and account group financial statements-regulatory basis within the combined financial statements of the Stillwater School District No. I-16, Payne County, Oklahoma as of and for the year ended June 30, 2012, and have issued our report thereon dated November 2, 2012, which was adverse with respect to the presentation of the financial statements in conformity with accounting principles generally accepted in the United States because the presentation followed the regulatory basis of accounting for Oklahoma school districts and did not conform to the presentation requirements of the Governmental Accounting Standards Board. However, our report was qualified for the omission of the general fixed asset account group with respect to the presentation of financial statements on the regulatory basis of accounting authorized by the Oklahoma State Department of Education. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Stillwater School District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Stillwater School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Stillwater School District's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting, describe in the accompanying schedule of findings and questioned costs that we consider to be material weaknesses in internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Stillwater School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, the Board of Education, Oklahoma State Auditor and Department of Education, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

TURNER & ASSOCIATES, PLLC

Vinita, Oklahoma  
November 2, 2012



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

The Honorable Board of Education  
Stillwater School District No. I-16  
Stillwater, Payne County, Oklahoma

**Compliance**

We have audited Stillwater School District No. I-16, Payne County, Oklahoma's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Stillwater School District No. I-16, Payne County, Oklahoma's major federal programs for the year ended June 30, 2012. Stillwater School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the Stillwater School District No. I-16, Payne County, Oklahoma's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, Stillwater School District No. I-16, Payne County, Oklahoma, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012.

**Internal Control Over Compliance**

Management of Stillwater School District No. I-16, Payne County, Oklahoma is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Stillwater School District No. I-16, Payne County, Oklahoma's internal control over compliance with requirements that could have a direct and material effect on a major federal program in



order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Stillwater School District No. I-16, Payne County, Oklahoma's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

#### **Schedule of Expenditures of Federal Awards**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Stillwater School District No. I-16, Payne County, Oklahoma as of and for the year ended June 30, 2012, and have issued our report thereon dated November 2, 2012, which contained qualified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements as a whole. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, local Governments and Non-Profit Organizations*, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

This report is intended solely for the information and use of the Board of Education, management, Oklahoma State Auditor and Department of Education, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*TURNER & Associates, PLLC*

Vinita, Oklahoma  
November 2, 2012

## COMBINED FINANCIAL STATEMENTS

**Stillwater School District No. I-16**  
**Combined Statement of Assets, Liabilities and Fund Balances**  
**All Fund Types and Account Groups - Regulatory Basis**  
**June 30, 2012**

	Governmental Fund Types				Fiduciary Fund Types	Account Group	Totals	
	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Trust and Agency	General Long-Term Debt	(Memorandum Only)	
							30-Jun-12	30-Jun-11
<b><u>ASSETS</u></b>								
Cash and cash equivalents	\$ 11,029,806.96	\$ 1,717,715.35	\$ 5,714,641.86	\$ 11,098,574.61	\$ 488,725.67	\$ -	\$ 30,049,464.45	\$ 32,670,508
Amount available in debt service fund	-	-	-	-	-	489,431.88	489,431.88	447,808
Amount to be provided for retirement of general long-term debt	-	-	-	-	-	71,438,801.35	71,438,801.35	37,120,973
Total assets	<u>\$ 11,029,806.96</u>	<u>\$ 1,717,715.35</u>	<u>\$ 5,714,641.86</u>	<u>\$ 11,098,574.61</u>	<u>\$ 488,725.67</u>	<u>\$ 71,928,233.23</u>	<u>\$ 101,977,697.68</u>	<u>\$ 70,239,289</u>
<b><u>LIABILITIES AND FUND EQUITY</u></b>								
Liabilities:								
Warrants Payable	\$ 1,408,822.09	\$ 120,457.77	\$ -	\$ 18,795.84	\$ -	\$ -	\$ 1,548,075.70	\$ 3,429,730
Reserve for encumbrances	3,871,537.66	134,715.96	-	1,155,292.38	-	-	5,161,546.00	3,976,414
Due to student groups	-	-	-	-	488,725.67	-	488,725.67	485,014
Capitalized lease obligations payable	-	-	-	-	-	36,085,000.00	36,085,000.00	-
General obligation bonds payable	-	-	5,075,000.00	-	-	27,510,000.00	32,585,000.00	38,190,000
Interest Payable	-	-	150,209.98	-	-	8,333,233.23	8,483,443.21	4,402,358
Total liabilities	<u>5,280,359.75</u>	<u>255,173.73</u>	<u>5,225,209.98</u>	<u>1,174,088.22</u>	<u>488,725.67</u>	<u>71,928,233.23</u>	<u>84,351,790.58</u>	<u>50,483,516</u>
Fund Balances:								
Restricted for:								
Building	-	1,199,118.28	-	-	-	-	1,199,118.28	871,464
Child Nutrition	-	263,423.34	-	-	-	-	263,423.34	323,897
Debt Service	-	-	489,431.88	-	-	-	489,431.88	447,808
Capital Projects	-	-	-	9,924,486.39	-	-	9,924,486.39	12,486,032
Unassigned	5,749,447.21	-	-	-	-	-	5,749,447.21	5,626,572
Total fund balances	<u>5,749,447.21</u>	<u>1,462,541.62</u>	<u>489,431.88</u>	<u>9,924,486.39</u>	<u>-</u>	<u>-</u>	<u>17,625,907.10</u>	<u>19,755,773</u>
Total liabilities and fund equity	<u>\$ 11,029,806.96</u>	<u>\$ 1,717,715.35</u>	<u>\$ 5,714,641.86</u>	<u>\$ 11,098,574.61</u>	<u>\$ 488,725.67</u>	<u>\$ 71,928,233.23</u>	<u>\$ 101,977,697.68</u>	<u>\$ 70,239,289</u>

-

The accompanying Notes to the Financial Statements are an integral part of this statement.

**Stillwater School District No. I-16**  
**Combined Statement of Revenues, Expenditures and Changes in Fund Balance**  
**All Governmental Fund Types – Regulatory Basis**  
**For the Year Ended June 30, 2012**

	General	Special Revenue	Debt Service	Capital Projects	(Memorandum Only)	
					30-Jun-12	30-Jun-11
Revenues Collected:						
Local Sources	\$ 12,223,349.34	\$ 2,576,620.73	\$ 9,061,348.61	\$ 2,875,017.32	\$ 26,736,336.00	\$ 35,413,947
Intermediate Sources	1,590,024.70	-	-	-	1,590,024.70	1,420,863
State Sources	19,469,629.93	595,041.70	-	-	20,064,671.63	18,575,395
Federal Sources	2,863,581.97	1,222,253.12	-	-	4,085,835.09	6,967,369
Total revenues collected	<u>36,146,585.94</u>	<u>4,393,915.55</u>	<u>9,061,348.61</u>	<u>2,875,017.32</u>	<u>52,476,867.42</u>	<u>62,377,574</u>
Expenditures:						
Instruction	22,711,595.54	-	-	325,328.55	23,036,924.09	22,213,925
Support Services	13,306,150.22	1,289,682.69	-	1,836,800.43	16,432,633.34	17,342,991
Non-Instruction Services	5,686.39	2,300,713.59	-	-	2,306,399.98	2,227,028
Facilities	-	532,783.19	-	3,315,604.20	3,848,387.39	302,490
Other Outlays	92,858.00	6,113.85	-	-	98,971.85	75,728
Bond Accrual	-	-	7,960,000.00	-	7,960,000.00	7,205,000
Interest Accrual	-	-	1,059,724.69	-	1,059,724.69	959,668
Total Expenditures	<u>36,116,290.15</u>	<u>4,129,293.32</u>	<u>9,019,724.69</u>	<u>5,477,733.18</u>	<u>54,743,041.34</u>	<u>50,326,830</u>
Excess of revenues collected over expenditures	<u>30,295.79</u>	<u>264,622.23</u>	<u>41,623.92</u>	<u>(2,602,715.86)</u>	<u>(2,266,173.92)</u>	<u>12,050,744</u>
Other financing sources:						
Lapsed appropriations	2,586.54	833.86	-	41,170.54	3,420.40	98,102
Return of Assets	89,993.13	1,725.00	-	-	91,718.13	91,748
Total other financing sources	<u>92,579.67</u>	<u>2,558.86</u>	<u>-</u>	<u>41,170.54</u>	<u>95,138.53</u>	<u>189,850</u>
Excess of revenues and other financing sources over expenditures and other financing uses	122,875.46	267,181.09	41,623.92	(2,561,545.32)	(2,171,035.39)	12,240,594
Cash Fund Balance Beginning of Year	<u>5,626,571.75</u>	<u>1,195,360.53</u>	<u>447,807.96</u>	<u>12,486,031.71</u>	<u>19,755,771.95</u>	<u>7,515,179</u>
Cash Fund Balance End of Year	<u>\$ 5,749,447.21</u>	<u>\$ 1,462,541.62</u>	<u>\$ 489,431.88</u>	<u>\$ 9,924,486.39</u>	<u>\$ 17,584,736.56</u>	<u>\$ 19,755,773</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

**Stillwater School District No. I-16**  
**Combined Statement of Revenues Collected, Expenditures Paid and**  
**Changes in Fund Balance, Budget and Actual (Regulatory Basis)**  
**General and Special Revenue Funds**  
**For the Year Ended June 30, 2012**

	General Fund			Special Revenue Funds		
	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual
Revenues Collected:						
Local Sources	\$ 11,425,310.65	\$ 11,425,310.65	\$ 12,315,929.01	\$ 2,381,549.62	\$ 2,381,549.62	\$ 2,579,140.41
Intermediate Sources	1,278,776.54	1,278,776.54	1,590,024.71	-	-	-
State Sources	17,780,926.42	17,780,926.42	19,469,630.02	219,441.95	219,441.95	595,080.88
Federal Sources	2,326,669.46	2,326,669.46	2,863,581.97	1,070,536.16	1,070,536.16	1,222,253.12
Total revenues collected, budgetary basis	<u>32,811,683.07</u>	<u>32,811,683.07</u>	<u>36,239,165.71</u>	<u>3,671,527.73</u>	<u>3,671,527.73</u>	<u>4,396,474.41</u>
Expenditures Paid:						
Instruction	24,313,532.42	24,313,532.42	22,711,595.54	-	-	-
Support Services	13,932,898.00	13,932,898.00	13,306,150.22	1,612,000.00	1,612,000.00	1,289,682.69
Non-Instruction Services	58,547.88	58,547.88	5,686.39	2,343,528.28	2,337,528.28	2,300,713.59
Facilities	-	-	-	909,235.38	909,235.38	532,783.19
Other Outlays	133,276.42	133,276.42	92,858.00	2,124.60	8,124.60	6,113.85
Total expenditures paid, budgetary basis	<u>38,438,254.72</u>	<u>38,438,254.72</u>	<u>36,116,290.15</u>	<u>4,866,888.26</u>	<u>4,866,888.26</u>	<u>4,129,293.32</u>
Excess (Deficit) of Revenues Collected Over (Under) Expenditures Paid	(5,626,571.65)	(5,626,571.65)	122,875.56	(1,195,360.53)	(1,195,360.53)	267,181.09
Cash Fund Balance Beginning of the Year	<u>5,626,571.65</u>	<u>5,626,571.65</u>	<u>5,626,571.65</u>	<u>1,195,360.53</u>	<u>1,195,360.53</u>	<u>1,195,360.53</u>
Cash Fund Balance End of the Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,749,447.21</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,462,541.62</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

## NOTES TO THE FINANCIAL STATEMENTS

**Stillwater School District No. I-16**  
**Payne County, Oklahoma**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2012**

**I. Summary of Significant Accounting Policies**

The accompanying financial statements of the Stillwater School District, No. I-16, Payne County, Oklahoma (the "District") conform to the regulatory basis of accounting, which is another comprehensive basis of accounting prescribed by the Oklahoma State Department of Education and conforms to the system of accounting authorized by the State of Oklahoma. Accordingly, the accompanying financial statements are not intended to present the financial position and results of operations in conformity with accounting principles generally accepted in the United States of America. The District's accounting policies are described in the following notes that are an integral part of the District's financial statements.

**A. Reporting Entity**

The District is a corporate body for public purposes created under Title 70 of the Oklahoma Statutes and accordingly is a separate entity for operating and financial reporting purposes. The District is part of the public school system of Oklahoma under the general direction and control of the State Board of Education and is financially dependent on state of Oklahoma support. The general operating authority for the public school system is the Oklahoma School Code contained in Title 70, Oklahoma Statutes.

The governing body of the District is the Board of Education (Board) composed of five elected members. The appointed superintendent is the executive officer of the District. The Board, constituting an on-going entity, is the level of government which has governance responsibilities over all activities related to public elementary and secondary school education within the jurisdiction of the Local Independent School District. The Board receives funding from local, state and federal government sources and must comply with the requirements of these funding source entities. However, the Board is not included in any other governmental "reporting entity" as defined in Section 2100, Codification of Governmental Accounting and Financial Reporting Standards, since Board members are elected by the public and have decision making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters.

These financial statements present only the activities of the District. There are no component units (entities considered to be financially accountable to the District).

**B. Measurement Focus, Basis of Accounting and Basis of Presentation – Fund Accounting**

The accounts of the District are organized and operated on the basis of funds and account groups. A fund is an independent fiscal accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements.

**Stillwater School District No. I-16**  
**Payne County, Oklahoma**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2012**

**I. Summary of Significant Accounting Policies (continued)**

**B. Measurement Focus, Basis of Accounting and Basis of Presentation – Fund Accounting (continued)**

The District uses funds and account groups to report its assets, liabilities and equities and its revenue and expenditures. Fund accounting is designated to demonstrate legal compliance and to aid financial management by segregating transactions related to certain district functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available resources.

Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate “fund types.”

The District has the following fund types:

**Governmental Fund Types** - are used to account for most of the District’s general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital projects funds), and the servicing of general long-term debt (debt service funds).

Governmental fund types include the following funds:

General Fund - The General Fund is the general operating fund of the District. It accounts for all financial resources of the District, except those required to be accounted for in another fund. This is a budgeted fund, and any fund balances are considered as resources available for use. Major revenue sources include local property taxes and federal and state funding. Expenditures include all costs associated with the daily operations of the schools except for programs funded for building repairs and maintenance, school construction and debt service on bonds and other long-term debt. The general fund also accounts for federal and state financed programs where restricted monies must be expended for specific programs.

Special Revenue Funds - The special revenue funds account for revenue sources that are restricted to expenditures for specific purposes (not including expendable trusts or major capital projects). The special revenue funds are composed of the District's Building Fund, Child Nutrition Fund, and Insurance Recovery Fund. These are budgeted funds and any fund balances are considered as resources available for use.

Building Fund - The Building Fund consists mainly of monies derived from property taxes levied for the purpose of erecting, remodeling, repairing or maintaining school buildings and for purchasing furniture, equipment and computer software to be used on or for school district property, for paying energy and utility costs, for purchasing telecommunications services, for paying fire and casualty insurance premiums for school facilities, for purchasing security systems, and for paying salaries of security personnel.



**Stillwater School District No. I-16  
Payne County, Oklahoma  
Notes to the Financial Statements  
For the Year Ended June 30, 2012**

**I. Summary of Significant Accounting Policies (continued)**

**B. Measurement Focus, Basis of Accounting and Basis of Presentation – Fund Accounting (continued)**

Child Nutrition Fund - The Child Nutrition Fund consists of monies derived from federal and state financial assistance and food sales. This fund is used to account for the operations of the school cafeteria.

Debt Service Fund - The debt service fund is the District's Sinking Fund and is used to account for the accumulation of financial resources for the payment of general long-term debt principal, interest and related costs. The primary revenue sources are local property taxes levied specifically for debt service and interest earnings from temporary investments.

Capital Projects Fund - The capital projects fund is the District's Bond Fund and is used to account for the proceeds of bond sales to be used exclusively for acquiring school sites, constructing and equipping new school facilities, renovating existing facilities, and acquiring transportation equipment.

**Fiduciary Fund Types** - are used to account for assets held by the District in a trustee capacity or as an agent on behalf of others.

Fiduciary fund types include the following funds:

Activity Fund - The Activity Fund is custodial in nature and does not present results of operations. Fiduciary Funds are accounted for using the cash basis of accounting. This fund is the School Activities Fund which is used to account for monies collected principally through fund raising efforts of the students and District-sponsored groups. This is not a budgeted fund. The administration is responsible, under the authority of the Board, for collecting, disbursing and accounting for these activity funds. These funds have no equity, assets are equal to liabilities, and do not include revenues and expenditures for general operation of the District.

**Account groups** - are not funds and consist of a self-balancing set of accounts used only to establish accounting control over long-term debt.

General Long-term Debt Account Group - accounts for the outstanding principal balances of all long-term debt of the District, which is offset by the amount available in the debt service fund and the amount to be provided in future years to complete retirement of the debt principal.

**Memorandum Only – Total Column**

The total column on the financial statements is captioned "Memo Only" to indicate that it is present only to facilitate financial analysis. Data in this column does not present assets and liabilities, revenues collected and expenditures paid in conformity with the statutory basis of accounting. Neither is such data comparable to a consolidation. Inter-fund eliminations have not been made in the aggregation of this data.

**Stillwater School District No. I-16  
Payne County, Oklahoma  
Notes to the Financial Statements  
For the Year Ended June 30, 2012**

**I. Summary of Significant Accounting Policies (continued)**

**B. Measurement Focus, Basis of Accounting and Basis of Presentation – Fund Accounting (continued)**

The basic financial statements are essentially prepared on a basis of cash receipts and disbursements modified as required by the regulations of the Oklahoma State Department of Education (OSDE) as follows:

- Encumbrances represented by purchase orders, contracts, and other commitments for the expenditure of monies and are recorded as expenditures when approved.
- Investments and inventories are recorded as assets when purchased.
- Warrants payable are recorded as liabilities when issued.
- Long-term debt is recorded when incurred.

This regulatory basis of accounting differs from accounting principles generally accepted in the United States of America, which requires revenues to be recognized when they become available and measurable, or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred for governmental fund types; and when revenues are earned and liabilities are incurred for proprietary fund types and trust funds.

**C. Assets, Liabilities, Fund Balance, Revenue and Expenditures**

**1. Deposits and Investments**

State statutes govern the District's investment policy. Permissible investments include direct obligations of the United States Government and Agencies; certificates of deposit of savings and loan associations, and bank and trust companies; and savings accounts or savings certificates of savings and loan associations and trust companies. Collateral is required for demand deposits and certificates of deposit for all amounts not covered by federal deposit insurance. Investments are stated at cost. The District invests entirely in certificates of deposit, U.S. Treasury Securities, and participates in the Secured Investment Program of Oklahoma State School Boards Association, as authorized by Oklahoma Statutes Title 62, Section 348.

The District's financial instruments include cash and investments. The District's estimates of the fair value of all financial instruments does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The carrying amount of these financial instruments approximates fair value because of the short maturity of these instruments.

**Stillwater School District No. I-16  
Payne County, Oklahoma  
Notes to the Financial Statements  
For the Year Ended June 30, 2012**

**I. Summary of Significant Accounting Policies (continued)**

**2. Fair Value of Financial Instruments**

The District's financial instruments include cash and investments. The District's estimate of the fair value of all financial instruments does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The carrying amount of these financial instruments approximates fair value because of the short maturity of these instruments.

**3. Estimates**

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**4. Interfund Transactions**

Interfund transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund or expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the fund that is reimbursed. Non-recurring or non-routine permanent transfers of equity are reported as residual equity transfers.

**5. Inventories**

The value of consumable inventories at June 30, 2012, is not material to the financial statements. Acquisitions are considered expenditures at the time of purchase and are not recorded for financial statement purposes.

**6. Fixed Assets and Property, Plant and Equipment**

Land, buildings, non-structural improvements, and all other physical assets in all funds are considered expenditures in the year of acquisition and are then recorded as investments in fixed assets for financial statement purposes. The District does not have the information necessary to include the general fixed asset account group in its combined financial statements.

**7. Compensated Absences**

The District provides vacation and sick leave benefits in accordance with Oklahoma Statutes, which provides for annual sick leave and personal business days. Accrued vacation and sick leave are not reflected in the financial statements because such statements are prepared on the regulatory basis of accounting. This basis differs from generally accepted accounting principles.

**Stillwater School District No. I-16**  
**Payne County, Oklahoma**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2012**

**I. Summary of Significant Accounting Policies (continued)**

**C. Assets, Liabilities, Fund Balance, Revenue and Expenditures**

**8. Long-Term Obligations**

In the District-Wide Financial Statements, long-term debt and other long-term obligations are reported as liabilities. In the Fund Financial Statements, the face amount of debt issues is reported as revenues while principal and interest payment on debt are recorded as expenditures.

**9. Property Taxes and Other Local Revenues**

The District is authorized by state law to levy property taxes, which consist of ad valorem taxes on real and personal property within the District. The County Assessor, upon receipt of the certification of tax levies from the County Excise Board, extends the tax levies on the tax roll for submission to the County Treasurer. Property taxes are levied on November 1 and are due on receipt of the tax bill. The first half of taxes is due prior to January 1. The second half is due prior to April 1. If the first payment is not made timely, the entire tax becomes due and payable on January 2. Second half taxes become delinquent on April 1 of the year following the assessment. If not paid by the following October 1, the property is offered for sale for the amount of the taxes due. The owner has two years to redeem the property by paying the taxes and penalty owed. If at the end of two years the owner has not done so, the purchaser is issued a deed to the property. No provision has been made for uncollected taxes, as all taxes are deemed collectible. Other local sources of revenues include tuition, fees, rentals, disposals, commissions and reimbursements.

**10. Intermediate Revenues**

Revenue from intermediate sources is the amount of money from funds collected by an intermediate administrative unit, or a political subdivision between the district and the state, and distributed to districts in amounts that differ in proportion to those which were collected within such systems.

**11. State Revenues**

The District receives revenue from the state to administer certain categorical educational programs. State Board of Education rules require that revenue earmarked for these programs be expended only for the program for which the money is provided and require that the money not expended as of the close of the fiscal year be carried forward into the following year to be expended for the same categorical programs. The State Department of Education requires that categorical educational program revenues be accounted for in the general fund. Revenues from state sources for current operations are primarily governed by state aid formula under the provisions of Title 70, Oklahoma Statutes. The State Board of Education administers the allocation of state aid funds to school districts based on information accumulated from the districts. After review and verification of reports and supporting documentation, the State Department of Education may adjust subsequent fiscal period allocations of money for prior year errors disclosed by review. Normally such adjustments are treated as reductions or additions of revenue of the year when the adjustment is made.

**Stillwater School District No. I-16  
Payne County, Oklahoma  
Notes to the Financial Statements  
For the Year Ended June 30, 2012**

**I. Summary of Significant Accounting Policies (continued)**

**C. Assets, Liabilities, Fund Balance, Revenue and Expenditures (continued)**

**12. Federal Revenues**

Federal revenues consist of revenues from the federal government in the form of operating grants or entitlements. An operating grant is a contribution to be used for a specific purpose, activity or facility. A grant may be received either directly from the federal government or indirectly as a pass through from another government, such as the state. Entitlement is the amount of payment to which the District is entitled pursuant to an allocation formula contained in applicable statutes. The majority of federal revenues received by the District are apportioned to the general fund. The district maintains a separate child nutrition fund and the federal revenues received for the child nutrition programs are apportioned there.

**13. Net Assets/Fund Balances**

In the fund financial statements, governmental funds report the hierarchy of fund balances. The hierarchy is based primarily on the degree of spending constraints placed on the use of resources for specific purposes versus availability of appropriation. An important distinction that is made in reporting fund balance is between amounts that are considered *nonspendable* (i.e., fund balance associated with assets that are not in spendable form, such as inventories or prepaid items, long-term portions of loans and notes receivable, or items that are legally required to be maintained intact (such as the corpus of a permanent fund)) and those that are *spendable* (such as fund balance associated with cash, investments or receivables).

Amounts in the *spendable* fund balance category are further classified as *restricted*, *committed*, *assigned* or *unassigned*, as appropriate.

***Restricted*** fund balance represents amounts that are constrained either externally by creditors (such as debt covenants), grantors, contributors, or laws and regulations of other governments; or by law through constitutional provision or enabling legislation.

***Committed*** fund balance represents amounts that are usable only for specific purposes by formal action of the government's highest level of decision making authority. Such amounts are not subject to legal enforceability (like restricted amounts), but cannot be used for any other purpose unless the government removes or changes by taking action similar to that which imposed the commitment. The District's Board of Education is the highest level of decision making authority of the District.

**Stillwater School District No. I-16  
Payne County, Oklahoma  
Notes to the Financial Statements  
For the Year Ended June 30, 2012**

**I. Summary of Significant Accounting Policies (continued)**

**C. Assets, Liabilities, Fund Balance, Revenue and Expenditures (continued)**

**13. Net Assets/Fund Balances (continued)**

*Assigned* fund balance represents amounts that are *intended* to be used for specific purposes but are neither restricted nor committed. Intent is expressed by the governing body itself, or a subordinated high-level body or official who the governing body has delegated the authority to assign amounts to be used for specific purposes. Assigned fund balances includes all remaining spendable amounts (except negative balances) that are reported in governmental funds *other than the general fund*, that are neither restricted nor committed, and amounts in the general fund that are intended to be used for specific purpose in accordance with the provisions of the standard.

*Unassigned* fund balance is the residual classification for the general fund. It represents the amounts that have not been assigned to other funds, and that have not been restricted, committed, or assigned to specific purposes within the general fund.

**14. Resource Use Policy**

It is in the District's policy for all funds that when an expenditure/expense is incurred for purposes for which both restricted and unrestricted resources, including fund balances, are available, the District considers the restricted amounts to be spent first before any unrestricted amounts are used. Furthermore, it is the District's policy that when an expenditure/expense is incurred for purposes for which committed, assigned or unassigned resources, including fund balances, are available, the District considers committed, amounts to be spent first, followed by assigned amounts, and lastly, unassigned amounts.

**15. Comparative Data**

Comparative data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the District's assets, liabilities, fund balances, revenues and expenses. However, complete comparative data (i.e., presentation of prior year totals by fund type in each of the statements) has not been presented since their inclusion would make the statements unduly complex and difficult to read. Certain previously reported amounts have been reclassified to conform to current year classifications.

**Stillwater School District No. I-16**  
**Payne County, Oklahoma**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2012**

**II. Stewardship, Compliance and Accountability**

**A. Budgetary Information**

The District is required by state law to prepare an annual budget. An annual Estimate of Needs is approved by the Board in September, filed with the County Clerk and approved by the County Excise Board. Supplemental appropriations are made during the year. The District's budget is prepared on a basis of accounting prescribed by the Oklahoma Department of Education which conforms to the system of accounting authorized by the State of Oklahoma. This regulatory basis of accounting is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

**B. Encumbrance Accounting**

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting -- under which purchase orders and other commitments of resources are recorded as expenditures of the applicable fund -- is utilized in all governmental funds of the District. Purchase orders or contracts document encumbrances for goods or purchased services. Under Oklahoma law, unencumbered appropriations lapse at year-end.

**III. Detailed Notes Concerning the Funds**

**A. Custodial Credit Risk**

*Custodial Credit Risk – Deposits.* Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's cash deposits, including interest-bearing certificates of deposit, are maintained in financial institutions. At June 30, 2012, none of the District's deposits at the Bank of Stillwater and 1<sup>st</sup> Bank Oklahoma were not exposed to custodial credit risk.

*Interest rate risk:* This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of the investment, the greater the sensitivity of its fair value to changes in market interest rates. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**C. Long-Term Debt**

State statutes prohibit the District from becoming indebted in an amount exceeding the revenue to be received for any fiscal year without approval by the District's voters. Bond issues have been approved by the voters and issued by the District for various capital improvements. These bonds are required to be fully paid serially within 25 years from the date of issue. Debt service requirements for bonds are payable solely from fund balance and future revenues of the debt service fund.

**Stillwater School District No. I-16**  
**Payne County, Oklahoma**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2012**

**III. Detailed Notes Concerning the Funds (continued)**

**C. Long-Term Debt (continued)**

The District issued building bonds in the amount of \$4,750,000 on June 1, 2006. The bond maturities began June 1, 2008 in increments of \$525,000 per year, with a final payment of \$550,000.

Debt service requirements for the 2006 building bonds are as follows:

Year Ended June 30,	Principal	Interest	Total Requirements
2013	\$ 525,000.00	\$ 80,750.00	\$ 605,750.00
2014	525,000.00	60,800.00	585,800.00
2015	525,000.00	40,850.00	565,850.00
2016	550,000.00	20,900.00	570,900.00
Totals	<u>\$ 2,125,000.00</u>	<u>\$ 203,300.00</u>	<u>\$ 2,328,300.00</u>

The District issued building bonds in the amount of \$3,500,000 on December 1, 2007. The bond maturities began December 1, 2009 in increments of \$385,000 per year, with a final payment of \$420,000.

Debt service requirements for the 2007 building bonds are as follows:

Year Ended June 30,	Principal	Interest	Total Requirements
2013	\$ 385,000.00	\$ 75,083.75	\$ 460,083.75
2014	385,000.00	62,090.00	447,090.00
2015	385,000.00	48,903.75	433,903.75
2016	385,000.00	35,525.00	420,525.00
2017	385,000.00	21,953.75	406,953.75
2018	420,000.00	7,560.00	427,560.00
Totals	<u>\$ 2,345,000.00</u>	<u>\$ 251,116.25</u>	<u>\$ 2,596,116.25</u>

The District issued equipment bonds in the amount of \$500,000 on December 1, 2007. The bond maturities began December 1, 2009 in increments of \$125,000 per year.

Debt service requirements for the 2007 equipment bonds are as follows:

Year Ended June 30,	Principal	Interest	Total Requirements
2013	<u>\$ 125,000.00</u>	<u>\$ 2,062.50</u>	<u>\$ 127,062.50</u>



**Stillwater School District No. I-16**  
**Payne County, Oklahoma**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2012**

**III. Detailed Notes Concerning the Funds (continued)**

**C. Long-Term Debt (continued)**

The District issued building bonds in the amount of \$11,000,000 on May 1, 2008. The bond maturities began May 1, 2010 in increments of \$1,220,000 per year, with a final payment of \$1,240,000.

Debt service requirements for the 2008 building bonds are as follows:

Year Ended June 30,	Principal	Interest	Total Requirements
2013	\$ 1,220,000.00	\$ 275,300.00	\$ 1,495,300.00
2014	1,220,000.00	232,600.00	1,452,600.00
2015	1,220,000.00	189,900.00	1,409,900.00
2016	1,220,000.00	147,200.00	1,367,200.00
2017	1,220,000.00	98,400.00	1,318,400.00
2018	1,240,000.00	49,600.00	1,289,600.00
Totals	<u>\$ 7,340,000.00</u>	<u>\$ 993,000.00</u>	<u>\$ 8,333,000.00</u>

The District issued building bonds in the amount of \$6,000,000 on October 1, 2008. The bond maturities began October 1, 2010 in increments of \$1,500,000 per year.

Debt service requirements for the 2008B building bonds are as follows:

Year Ended June 30,	Principal	Interest	Total Requirements
2013	\$ 1,500,000.00	\$ 76,875.00	\$ 1,576,875.00
2014	1,500,000.00	26,250.00	1,526,250.00
Totals	<u>\$ 3,000,000.00</u>	<u>\$ 103,125.00</u>	<u>\$ 3,103,125.00</u>

The District issued building bonds in the amount of \$6,000,000 on May 1, 2009. The bond maturities began May 1, 2011 in increments of \$3,000,000 per year. This bond was paid off in the 2011-2012 year.

**Stillwater School District No. I-16**  
**Payne County, Oklahoma**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2012**

**III. Detailed Notes Concerning the Funds (continued)**

**C. Long-Term Debt (continued)**

The District issued building bonds in the amount of \$4,000,000 on March 1, 2010. The bond maturities began March 1, 2012 in increments of \$1,000,000 per year.

Debt service requirements for the 2010 building bonds are as follows:

Year Ended June 30,	Principal	Interest	Total Requirements
2013	\$ 1,000,000.00	\$ 57,500.00	\$ 1,057,500.00
2014	1,000,000.00	40,000.00	1,040,000.00
2015	1,000,000.00	20,000.00	1,020,000.00
Totals	<u>\$ 3,000,000.00</u>	<u>\$ 117,500.00</u>	<u>\$ 3,117,500.00</u>

The District issued building bonds in the amount of \$11,750,000 on June 1, 2011. The bond maturities begin June 1, 2013 in increments of \$1,300,000 per year, with a final payment of \$1,350,000.

Debt service requirements for the 2011A building bonds are as follows:

Year Ended June 30,	Principal	Interest	Total Requirements
2013	\$ 1,300,000.00	\$ 285,937.50	\$ 1,585,937.50
2014	1,300,000.00	259,937.50	1,559,937.50
2015	1,300,000.00	233,937.50	1,533,937.50
2016	1,300,000.00	207,937.50	1,507,937.50
2017	1,300,000.00	181,937.50	1,481,937.50
2018-2021	5,250,000.00	393,000.00	5,643,000.00
Totals	<u>\$ 11,750,000.00</u>	<u>\$ 1,562,687.50</u>	<u>\$ 13,312,687.50</u>

The District issued equipment bonds in the amount of \$750,000 on June 1, 2011. The bond maturities begin June 1, 2013 in increments of \$175,000 per year, with a final payment of \$225,000.

Debt service requirements for the 2011B equipment bonds are as follows:

Year Ended June 30,	Principal	Interest	Total Requirements
2013	\$ 175,000.00	\$ 13,475.00	\$ 188,475.00
2014	175,000.00	8,750.00	183,750.00
2015	175,000.00	6,562.50	181,562.50
2016	225,000.00	3,937.50	228,937.50
Totals	<u>\$ 750,000.00</u>	<u>\$ 32,725.00</u>	<u>\$ 782,725.00</u>

**Stillwater School District No. I-16**  
**Payne County, Oklahoma**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2012**

**III. Detailed Notes Concerning the Funds (continued)**

**C. Long-Term Debt (continued)**

The District issued combination purpose bonds in the amount of \$2,150,000 on June 1, 2012. The bond matures on June 1, 2014 with a payment of \$2,150,000.

Debt service requirements for the 2012 combined purpose bonds are as follows:

Year Ended June 30,	Principal	Interest	Total Requirements
2013	\$ -	\$ 13,975.00	\$ 13,975.00
2014	2,150,000.00	13,975.00	2,163,975.00
Totals	<u>\$ 2,150,000.00</u>	<u>\$ 27,950.00</u>	<u>\$ 2,177,950.00</u>

Debt Service for all bonds:

Year Ended June 30,	Principal	Interest	Total Requirements
2013	\$ 6,230,000.00	\$ 880,958.75	\$ 7,110,958.75
2014	8,255,000.00	704,402.50	8,959,402.50
2015	4,605,000.00	540,153.75	5,145,153.75
2016	3,680,000.00	415,500.00	4,095,500.00
2017	2,905,000.00	302,291.25	3,207,291.25
2018-2021	6,910,000.00	450,160.00	7,360,160.00
Totals	<u>\$ 32,585,000.00</u>	<u>\$ 3,293,466.25</u>	<u>\$ 35,878,466.25</u>

**Stillwater School District No. I-16**  
**Payne County, Oklahoma**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2012**

**III. Detailed Notes Concerning the Funds (continued)**

**D. Leases**

The District has entered into a lease purchase agreement with Bank of America for property and equipment related to the building of the new Highland Park Elementary School. The lease agreement became effective on June 9, 2011. The lease will be required to be ratified each fiscal year and, if so, will continue until July 1, 2017. The interest rate is 3.15% computed monthly based on a 360 day year. Interest payments are paid semi-annually, January 1 and July 1 in the amount of \$236,250, with a lump sum payment of \$15,000,000 made on July 1, 2017.

Year Ended June 30,	Principal	Interest	Total Requirements
2013	\$ -	\$ 472,500.00	\$ 472,500.00
2014	-	472,500.00	472,500.00
2015	-	472,600.00	472,600.00
2016	-	472,500.00	472,500.00
2017	-	472,500.00	472,500.00
2018	15,000,000.00	236,250.00	15,236,250.00
Totals	<u>\$ 15,000,000.00</u>	<u>\$ 2,598,850.00</u>	<u>\$ 17,598,850.00</u>

The District has entered into a lease purchase agreement with Bank of America for property and equipment related to the building of the new Will Rogers Elementary School. The lease agreement became effective on December 15, 2011. The lease will be required to be ratified each fiscal year and, if so, will continue until July 1, 2014. The interest rate is 1.68% computed monthly based on a 360 day year. Interest payments are paid semi-annually, January 1 and July 1.

Year Ended June 30,	Principal	Interest	Total Requirements
2013	\$ -	\$ 285,477.22	\$ 285,477.22
2014	10,000,000.00	200,400.00	10,200,400.00
2015	7,000,000.00	58,450.00	7,058,450.00
Totals	<u>\$ 17,000,000.00</u>	<u>\$ 544,327.22</u>	<u>\$ 17,544,327.22</u>

**Stillwater School District No. I-16**  
**Payne County, Oklahoma**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2012**

**III. Detailed Notes Concerning the Funds (continued)**

**D. Leases (continued)**

The District has entered an agreement to lease purchase property in Payne County. The lease agreement became effective on April 10, 2012. The lease will be required to be ratified each fiscal year and, if so, will continue until June 1, 2032. The interest rate is a fixed 4.375% from commencement date until June 1, 2018, then a variable rate at Prime plus 1% but not less than 4.25% beginning June 1, 2018, and reset annually each June 1. Interest payments are computed monthly based on a 360 day year.

The District purchased commercial property adjacent to the High School for the purpose of demolishing when the current tenants 5 year leases expire in order to construct an athletic complex. Lease payments collected as of June 30, 2012 were \$3,333.30.

Year Ended June 30,	Principal	Interest	Total Requirements
2013	\$ 132,775.34	\$ 174,051.59	\$ 306,826.93
2014	136,635.30	170,191.62	306,826.92
2015	142,734.45	164,092.47	306,826.92
2016	149,105.82	157,721.10	306,826.92
2017	155,761.61	151,065.31	306,826.92
2018-2022	889,520.26	644,614.35	1,534,134.61
2023-2027	1,106,585.61	427,549.01	1,534,134.62
2028-2032	1,371,881.61	157,514.29	1,529,395.90
Totals	<u>\$ 4,085,000.00</u>	<u>\$ 2,046,799.74</u>	<u>\$ 6,131,799.74</u>

Debt service requirements for all Capital Leases are as follows:

Year Ended June 30,	Principal	Interest	Total Requirements
2013	\$ 132,775.34	\$ 932,028.81	\$ 1,064,804.15
2014	10,136,635.30	843,091.62	10,979,726.92
2015	7,142,734.45	695,142.47	7,837,876.92
2016	149,105.82	630,221.10	779,326.92
2017	155,761.61	623,565.31	779,326.92
2018-2022	15,889,520.26	880,864.35	16,770,384.61
2023-2027	1,106,585.61	427,549.01	1,534,134.62
2028-2032	1,371,881.61	157,514.29	1,529,395.90
Totals	<u>\$ 36,085,000.00</u>	<u>\$ 5,189,976.96</u>	<u>\$ 41,274,976.96</u>

**Stillwater School District No. I-16**  
**Payne County, Oklahoma**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2012**

**III. Detailed Notes Concerning the Funds (continued)**

**E. Changes in General Long-Term Debt**

Long-term debt consists of bonds payable and capital lease obligations. The following is a summary of the changes in general long-term debt of the District for the fiscal year.

	Balance June 30, 2011	Proceeds	Payments	Balance June 30, 2012	Due Within One Year
Bonds Payable	\$ 38,190,000.00	\$ 2,150,000.00	\$ 7,755,000.00	\$ 32,585,000.00	\$ 6,230,000.00
Lease Obligations	-	36,085,000.00	-	36,085,000.00	132,775.34
Total	<u>\$ 38,190,000.00</u>	<u>\$ 38,235,000.00</u>	<u>\$ 7,755,000.00</u>	<u>\$ 68,670,000.00</u>	<u>\$ 6,362,775.34</u>

**IV. Other Information**

**A. Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; or acts of God. The District purchases commercial insurance to cover these risks, including general and auto liability, property damage, and public officials liability. Settled claims resulting from these risks have not exceeded the commercial insurance coverage in any of the past three fiscal years.

The District also participates in a risk pool for Workers' Compensation coverage in which there is a transfer or pooling of risks among the participants of that pool. In accordance with GASB No. 10, the District reports the required contribution to the pool, net of refunds, as insurance expense. The risk pool is the Oklahoma School Assurance Group (OSAG), an organization formed for the purpose of providing workers' compensation coverage to participating schools in the State of Oklahoma.

In that capacity, OSAG is responsible for providing loss control services and certain fiscal activities, including obtaining contract arrangements for the underwriting, excess insurance agreements, claims processing, and legal defense for any and all claims submitted to them during the plan year. As a member of OSAG, the District is required to pay fees set by OSAG according to an established payment schedule. A portion of the fees paid by the

District goes into a loss fund for the District. The fee for the loss fund is calculated by projecting losses based on the District's losses for the last five years. OSAG provides coverage in excess of the loss fund so the District's liability for claim loss is limited to the balance of the loss fund. If the District does not use their loss fund in three years it is returned to them with no interest.

**B. Contingent Liabilities**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

**Stillwater School District No. I-16  
Payne County, Oklahoma  
Notes to the Financial Statements  
For the Year Ended June 30, 2012**

**IV. Other Information (continued)**

**C. Non-Monetary Transactions**

The fair market value as determined by the Oklahoma Department of Human Services of the commodities received during the period under audit was \$98,583.06.

**D. Employee Retirement System and Plan (continued)**

Description of Plan

The District participates in the state-administered Oklahoma Teachers' Retirement System, which is cost-sharing, multiple-employer defined benefit public employee retirement system (PERS) administered by the Board of Trustees of the Oklahoma Teachers' Retirement System (the "System"). The System provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Title 70 Section 17 of the Oklahoma Statutes establishes benefit provisions and may be amended only through legislative action. The System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Oklahoma Teachers' Retirement System, P.O. Box 53624, Oklahoma City, OK 73152 or by calling (405) 521-2387.

Basis of Accounting

The System's financial statements are prepared using the cash basis of accounting, except for accruals of interest income. Plan member contributions are recognized in the period in which the contributions are made. Benefits and refunds are recognized when paid. The pension benefit obligation is a standardized disclosure measure of the present value of pension benefits. This pension valuation method reflects the present value of estimated pension benefits that will be paid in future years as a result of employee services performed to date and is adjusted for the effect of projected salary increases. There are no actuarial valuations performed on individual school districts. The System has an under-funded pension benefit obligation as determined as part of the latest actuarial valuation.

Funding Policy

The District, the State of Oklahoma, and the participating employee may make contributions. The contribution rates for the District and its employees are established by and may be amended by Oklahoma Statutes. The rates are not actuarially determined. The rates are applied to the employee's earnings plus employer-paid fringe benefits. The required contribution for the participating members is 7.0% of compensation. The District and State are required to contribute 11.5% of applicable compensation. Contributions received by the System from the State of Oklahoma are from 3.54% of its revenues from sales taxes, use taxes, corporate income taxes and individual income taxes. The District contributed 7.05% during this year. The combined state and local rate will stabilize at 14.05%. The District is allowed by the System to make the required contributions on behalf of the participating members. In addition, the District is required to match the retirement paid on salaries that are funded with federal funds.

**Stillwater School District No. I-16**  
**Payne County, Oklahoma**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2012**

**IV. Other Information (continued)**

**D. Employee Retirement System and Plan (continued)**

Annual Pension Cost

The District's total contributions for 2012, 2011 and 2010 were \$2,094,326, \$2,054,720, and \$2,076,830.53 respectively.

Schedule of Funding Progress (dollars in millions)

Actuarial Valuation Date	Actuarial Value of Assets (AVA)(a)	Actuarial Accrued Liability (AAL)(b)	Unfunded Actuarial Accrued Liability (UAAL)(b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as % of Covered Payroll (b-a)/(c)
6/30/2001	5,959.0	11,591.1	5,632.1	51.4%	2,990.5	188.3%
6/30/2002	6,310.9	12,275.9	5,965.0	51.4%	3,047.1	195.8%
6/30/2003	6,436.9	11,925.2	5,488.3	54.0%	3,045.7	180.2%
6/30/2004	6,660.9	14,080.1	7,419.2	47.3%	3,030.7	244.8%
6/30/2005	6,952.7	14,052.4	7,099.7	49.5%	3,175.2	223.6%
6/30/2006	7,470.4	15,143.4	7,672.9	49.3%	3,354.9	228.7%
6/30/2007	8,421.9	16,024.4	7,602.5	52.6%	3,598.9	211.2%
6/30/2008	9,256.8	18,346.9	9,090.1	50.5%	3,741.4	242.3%
6/30/2009	9,439.0	18,950.9	9,512.0	49.8%	3,807.9	249.8%
6/30/2010	9,566.7	19,980.6	10,414.0	47.9%	3,854.8	270.2%
6/30/2011	9,960.6	17,560.8	7,600.2	56.7%	3,773.3	201.4%

Note: Dollar amounts in millions



**Stillwater School District No. I-16  
Payne County, Oklahoma  
Notes to the Financial Statements  
For the Year Ended June 30, 2012**

**IV. Other Information (continued)**

**E. Surety Bonds**

The Superintendent is bonded by Western Surety Company, bond number 70743096 the sum of \$100,000 for the term July 1, 2011 to July 1, 2012.

The Chief Financial Officer is bonded by Western Surety Company, bond number 15534670, for the sum of \$100,000 for the term July 1, 2011 to July 1, 2012.

The Activity Fund Custodian and the Encumbrance Clerk are bonded by Old Republic Surety Company, bond number POB1051244, for the sum of \$5,000 each, for the term October 2, 2011 to October 3, 2012.

The Minutes Clerk is bonded by Old Republic Surety Company, bond number LPO-0913141, for the sum of \$5,000 for the term October 1, 2011 to October 1, 2012.

**F. Subsequent Events**

Management has evaluated subsequent events through November 2, 2012 which is the date the financial statements were available to be issued and have determined that no additional information needs to be added to the financial statements.

**OTHER SUPPLEMENTARY INFORMATION**

**Stillwater School District No. I-16**  
**Combining Statement of Assets, Liabilities and Fund Balance (Regulatory Basis)**  
**All Special Revenue Funds**  
**June 30, 2012**

<b><u>ASSETS</u></b>	<b><u>Building Fund</u></b>	<b><u>Child Nutrition Fund</u></b>	<b><u>(Memo Only) Total</u></b>
Cash	\$ 1,293,343.17	\$ 424,372.18	\$ 1,717,715.35
Total assets	<u>\$ 1,293,343.17</u>	<u>\$ 424,372.18</u>	<u>\$ 1,717,715.35</u>
 <b><u>LIABILITIES AND FUND EQUITY</u></b>			
Liabilities:			
Warrants Payable	\$ 89,773.19	\$ 30,684.58	\$ 120,457.77
Reserve for Encumbrances	<u>4,451.70</u>	<u>130,264.26</u>	<u>134,715.96</u>
	94,224.89	160,948.84	255,173.73
Fund Equity:			
Cash Fund Balance, Restricted	<u>1,199,118.28</u>	<u>263,423.34</u>	<u>1,462,541.62</u>
Total liabilities and fund equity	<u>\$ 1,293,343.17</u>	<u>\$ 424,372.18</u>	<u>\$ 1,717,715.35</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

**Stillwater School District No. I-16**  
**Combining Statement of Revenues Collected, Expenditures Paid**  
**and Changes in Fund Balance (Regulatory Basis)**  
**All Special Revenue Funds**  
**June 30, 2012**

	Building Fund	Child Nutrition Fund	(Memo Only) Total
Revenues Collected:			
Local Sources	\$ 1,723,648.25	\$ 852,972.48	\$ 2,576,620.73
State Sources	426,472.00	168,569.70	595,041.70
Federal Sources	-	1,222,253.12	1,222,253.12
Non-revenue receipts	-	1,725.00	1,725.00
Total revenues collected	<u>2,150,120.25</u>	<u>2,245,520.30</u>	<u>4,395,640.55</u>
Expenditures:			
Instruction	-	-	-
Support Services	1,289,682.69	-	1,289,682.69
Non-Instruction Services	-	2,300,713.59	2,300,713.59
Facilities, acquisition, and construction services	532,783.19	-	532,783.19
Other Outlays	-	6,113.85	6,113.85
Total Expenditures	<u>1,822,465.88</u>	<u>2,306,827.44</u>	<u>4,129,293.32</u>
Excess of revenues collected over expenditures	327,654.37	(61,307.14)	266,347.23
Other financing sources:			
Lapsed appropriations	<u>-</u>	<u>833.86</u>	<u>833.86</u>
Excess of revenues and other financing sources over expenditures and other financing uses	327,654.37	(60,473.28)	267,181.09
Cash Fund Balance			
Beginning of Year	<u>871,463.91</u>	<u>323,896.62</u>	<u>1,195,360.53</u>
Cash Fund Balance			
End of Year	<u>\$ 1,199,118.28</u>	<u>\$ 263,423.34</u>	<u>\$ 1,462,541.62</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

**Stillwater School District No. I-16**  
**Combining Statement of Revenues Collected, Expenditures Paid and Changes in Fund Balance (Regulatory Basis)**  
**Budget and Actual – All Special Revenue Funds**  
**For the Year Ended June 30, 2012**

	Special Revenue Funds					
	Building Fund			Child Nutrition Fund		
	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual
Revenues Collected:						
Local Sources	\$ 1,589,771.47	\$ 1,589,771.47	\$ 1,723,609.07	\$ 791,778.15	\$ 791,778.15	\$ 855,531.34
State Sources	60,000.00	60,000.00	426,511.18	159,441.95	159,441.95	168,569.70
Federal Sources	-	-	-	1,070,536.16	1,070,536.16	1,222,253.12
Total revenues collected, budgetary basis	<u>1,649,771.47</u>	<u>1,649,771.47</u>	<u>2,150,120.25</u>	<u>2,021,756.26</u>	<u>2,021,756.26</u>	<u>2,246,354.16</u>
Expenditures Paid:						
Support Services	1,612,000.00	1,612,000.00	1,289,682.69	-	-	-
Non-Instruction Services	-	-	-	2,343,528.28	2,337,528.28	2,300,713.59
Facilities	909,235.38	909,235.38	532,783.19	-	-	-
Other Outlays	-	-	-	2,124.60	8,124.60	6,113.85
Total expenditures paid, budgetary basis	<u>2,521,235.38</u>	<u>2,521,235.38</u>	<u>1,822,465.88</u>	<u>2,345,652.88</u>	<u>2,345,652.88</u>	<u>2,306,827.44</u>
Excess (Deficit) of Revenues						
Collected Over (Under)						
Expenditures Paid	(871,463.91)	(871,463.91)	327,654.37	(323,896.62)	(323,896.62)	(60,473.28)
Cash Fund Balance						
Beginning of the Year	<u>871,463.91</u>	<u>871,463.91</u>	<u>871,463.91</u>	<u>323,896.62</u>	<u>323,896.62</u>	<u>323,896.62</u>
Cash Fund Balance						
End of the Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,199,118.28</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 263,423.34</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

**Stillwater School District No. I-16**  
**Combining Statement of Revenues Collected, Expenditures Paid and Changes in Fund Balance (Regulatory Basis)**  
**Budget and Actual – All Special Revenue Funds**  
**For the Year Ended June 30, 2012**

	Total Special Revenue Funds		
	Original Budget	Final Budget	Actual
Revenues Collected:			
Local Sources	\$ 2,381,549.62	\$ 2,381,549.62	\$ 2,579,140.41
State Sources	219,441.95	219,441.95	595,080.88
Federal Sources	1,070,536.16	1,070,536.16	1,222,253.12
Total revenues collected, budgetary basis	<u>3,671,527.73</u>	<u>3,671,527.73</u>	<u>4,396,474.41</u>
Expenditures Paid:			
Support Services	1,612,000.00	1,612,000.00	1,289,682.69
Non-Instruction Services	2,337,528.28	2,337,528.28	2,300,713.59
Facilities, acquisition and construction	909,235.38	909,235.38	532,783.19
Other Outlays	8,124.60	8,124.60	6,113.85
Total expenditures paid, budgetary basis	<u>4,866,888.26</u>	<u>4,866,888.26</u>	<u>4,129,293.32</u>
Excess (Deficit) of Revenues Collected Over (Under) Expenditures Paid	(1,195,360.53)	(1,195,360.53)	267,181.09
Cash Fund Balance Beginning of the Year	<u>1,195,360.53</u>	<u>1,195,360.53</u>	<u>1,195,360.53</u>
Cash Fund Balance End of the Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,462,541.62</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

**Stillwater School District No. I-16**  
**Combining Statement of Assets, Liabilities and Fund Balance (Regulatory Basis)**  
**Capital Project Funds**  
**June 30, 2012**

<b><u>ASSETS</u></b>	Bond Fund #37	Bond Fund #38	Bond Fund #39	(Memo Only) Total
Cash	\$ -	\$ 105,196.77	\$ 10,993,377.84	\$ 11,098,574.61
Total assets	<u>\$ -</u>	<u>\$ 105,196.77</u>	<u>\$ 10,993,377.84</u>	<u>\$ 11,098,574.61</u>
<b><u>LIABILITIES AND FUND EQUITY</u></b>				
Liabilities:				
Warrants Payable	\$ -	\$ 3,601.75	\$ 15,194.09	\$ 18,795.84
Fund Equity:				
Reserve for Encumbrances	-	100,576.97	1,054,715.41	1,155,292.38
Cash Fund Balance, Restricted	<u>-</u>	<u>1,018.05</u>	<u>9,923,468.34</u>	<u>9,924,486.39</u>
Total Fund Equity	-	101,595.02	10,978,183.75	11,079,778.77
Total liabilities and fund equity	<u>\$ -</u>	<u>\$ 105,196.77</u>	<u>\$ 10,993,377.84</u>	<u>\$ 11,098,574.61</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

**Stillwater School District No. I-16**  
**Combining Statement of Revenues Collected, Expenditures Paid**  
**and Changes in Fund Balance (Regulatory Basis)**  
**Capital Project Funds**  
**June 30, 2012**

	Bond Fund #37	Bond Fund #38	Bond Fund #39	(Memo Only) Total
Revenues Collected:				
Local Sources	\$ -	\$ 395.27	\$ 2,874,622.05	\$ 2,875,017.32
Total revenues collected	<u>-</u>	<u>395.27</u>	<u>2,874,622.05</u>	<u>2,875,017.32</u>
Expenditures:				
Instruction	-	9,989.00	315,339.55	325,328.55
Support Services	177.33	484,368.06	1,352,255.04	1,836,800.43
Facilities, acquisition, and construction services	-	7,488.68	3,308,115.52	3,315,604.20
Total Expenditures	<u>177.33</u>	<u>501,845.74</u>	<u>4,975,710.11</u>	<u>5,477,733.18</u>
Excess of revenues collected over expenditures	<u>(177.33)</u>	<u>(501,450.47)</u>	<u>(2,101,088.06)</u>	<u>(2,602,715.86)</u>
Other financing sources:				
Lapsed appropriations	<u>-</u>	<u>22,328.67</u>	<u>18,841.87</u>	<u>41,170.54</u>
Excess of revenues and other financing sources over expenditures and other financing uses	<u>(177.33)</u>	<u>(479,121.80)</u>	<u>(2,082,246.19)</u>	<u>(2,561,545.32)</u>
Cash Fund Balance				
Beginning of Year	<u>177.33</u>	<u>480,139.85</u>	<u>12,005,714.53</u>	<u>12,486,031.71</u>
Cash Fund Balance				
End of Year	<u>\$ -</u>	<u>\$ 1,018.05</u>	<u>\$ 9,923,468.34</u>	<u>\$ 9,924,486.39</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.



**Stillwater School District No. I-16**  
**Combining Statement of Assets, Liabilities and Fund Balance**  
**(Regulatory Basis)**  
**Fiduciary Funds**  
**June 30, 2012**

	<u>Agency Funds</u> <u>Activity</u> <u>Funds</u>
<b>ASSETS</b>	
Cash and Cash Equivalents	
High School	\$ 260,713.99
Jr High School	43,023.51
Middle School	38,626.49
Highland Elem School	18,268.06
Richmond Elem School	9,660.10
Skyline Elem School	19,297.98
Sangre Ridge Elem School	3,348.97
Will Rogers Elem School	36,375.13
Westwood Elem School	28,742.47
Lincoln Alternative	810.32
Curriculum	1,137.98
Professional Dvlp Ctr	3,543.68
Special Events	409.90
Transportation	5,884.68
Board of Education	18,882.41
	<u>\$ 488,725.67</u>
<b>LIABILITIES &amp; FUND EQUITY</b>	
Due to Students	<u>\$ 488,725.67</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

**Stillwater School District No. I-16**  
**Combining Statement of Changes in Assets and Liabilities (Regulatory Basis)**  
**Fiduciary Funds -Activity Funds**  
**For the Year Ended June 30, 2012**

<u>HIGH SCHOOL ACTIVITIES</u>	Balance July 1, 2011	Receipts	Disbursements	Balance June 30, 2012
Art Club	\$ 1,618.61	\$ 285.00	\$ 1,351.44	\$ 552.17
Football	7.05	-	-	7.05
Boys Basketball	13.19	1,730.00	1,743.19	-
Girls Basketball	540.04	2,438.00	2,456.51	521.53
Swimming	1,380.55	92.50	291.71	1,181.34
Boys Baseball	167.26	3,250.00	3,113.00	304.26
Girls Softball	265.57	-	265.57	-
Wrestling	295.00	1,467.00	1,754.73	7.27
Boys Tennis	105.04	-	-	105.04
Girls Tennis	326.98	-	-	326.98
Boys Golf	519.41	2,225.00	1,018.47	1,725.94
Boys Soccer	50.44	107.00	42.00	115.44
Girls Volleyball	1,000.00	-	999.50	0.50
Girls Golf	1,107.43	2,410.00	1,585.23	1,932.20
State Playoffs	3,474.78	26,539.00	25,324.61	4,689.17
All Sports	47,553.09	228,330.32	244,706.89	31,176.52
Band	35,731.22	60,841.64	63,046.42	33,526.44
Beta Club	1,460.14	3,295.00	3,325.28	1,429.86
Cheer Sponsor	257.92	-	-	257.92
Clearing	-	10,675.00	10,675.00	-
DECA	1,525.25	11,324.61	12,379.36	470.50
Drama Club	2,157.67	120.00	-	2,277.67
Robotics Club	25.49	-	-	25.49
FBLA	497.47	-	-	497.47
FFA	6,313.95	61,361.70	58,700.41	8,975.24
French Club	195.17	505.00	389.64	310.53
SHS-PAC	32,495.17	12,934.00	10,361.32	35,067.85
FCCLA	596.10	11,226.81	9,302.63	2,520.28
Book Club	2,059.43	1,525.00	759.27	2,825.16
Subtotals - to page 39	\$ 141,739.42	\$ 442,682.58	\$ 453,592.18	\$ 130,829.82

**Stillwater School District No. I-16**  
**Combining Statement of Changes in Assets and Liabilities (Regulatory Basis)**  
**Fiduciary Funds -Activity Funds**  
**For the Year Ended June 30, 2012**

	Balance			Balance
<u>HIGH SCHOOL ACTIVITIES</u>	<u>July 1, 2011</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>June 30, 2012</u>
Subtotals - from page 38	\$ 141,739.42	\$ 442,682.58	\$ 453,592.18	\$ 130,829.82
Raymond Estes Scholarship	5,895.60	-	-	5,895.60
Instructional	4,383.28	20,606.00	24,366.51	622.77
SWAT & 2M2L Club	-	112.50	20.00	92.50
Junior Class	6,680.66	37,415.00	37,552.50	6,543.16
Key Club	439.85	682.68	765.21	357.32
Library	1,276.64	1,438.38	2,282.33	432.69
Girls Soccer	4.36	256.50	257.20	3.66
Miscellaneous	6,779.17	6,596.38	6,961.84	6,413.71
Mu Alpha Theta	261.30	350.00	524.50	86.80
National Honor Society	705.18	3,299.29	2,718.00	1,286.47
Newspaper	19.89	5,417.96	3,462.22	1,975.63
Orchestra	5,900.34	14,171.90	11,346.34	8,725.90
Pioneer Annual	34,263.87	39,239.50	43,476.40	30,026.97
Parking Fees	5,639.14	15,069.00	19,083.87	1,624.27
Senior Class	8,341.72	12,497.66	10,949.99	9,889.39
Science Club	2,174.36	-	330.95	1,843.41
Sophomore Class	1,363.33	1,880.00	1,481.67	1,761.66
Spanish Club	220.10	195.00	165.93	249.17
Student Council	752.62	27,581.31	27,907.40	426.53
Varsity Cheerleaders	2,159.32	3,938.56	4,592.60	1,505.28
Varsity Poms	1,047.38	500.13	156.00	1,391.51
Vocal Music	18,858.94	35,953.23	48,799.14	6,013.03
Youth & Government	1,661.20	8,890.00	8,627.29	1,923.91
Teacher Courtesy Fund	665.83	-	207.93	457.90
W. Welch Memorial Srsting Sch	1,870.00	775.00	-	2,645.00
FR Band Catalog Sales	-	10,346.00	10,346.00	-
Subtotals - to page 40	<u>\$ 253,103.50</u>	<u>\$ 689,894.56</u>	<u>\$ 719,974.00</u>	<u>\$ 223,024.06</u>

**Stillwater School District No. I-16**  
**Combining Statement of Changes in Assets and Liabilities (Regulatory Basis)**  
**Fiduciary Funds -Activity Funds**  
**For the Year Ended June 30, 2012**

<u>HIGH SCHOOL ACTIVITIES</u>	Balance July 1, 2011	Receipts	Disbursements	Balance June 30, 2012
Subtotals - from page 39	\$ 253,103.50	\$ 689,894.56	\$ 719,974.00	\$ 223,024.06
FR Band STW Finest Cards	-	9,775.00	9,775.00	-
FR Band Magazine Sales	-	12,704.65	12,704.65	-
FR Chrs STW Finest Cards	-	6,075.00	6,075.00	-
FR DECA STW Finest Cards	-	1,860.00	1,860.00	-
FR Girls BB STW Finest Cards	-	2,970.00	2,970.00	-
FR Band Ribs Sales	-	4,600.00	4,600.00	-
FR LIB STW Finest Cards	-	1,050.00	1,050.00	-
Theatre Performance	6,959.50	9,337.00	5,973.65	10,322.85
FR Orch STW Finest Cards	-	975.00	975.00	-
DECA/Student Store	682.92	-	-	682.92
FR WR STW Finest Cards	-	2,585.00	2,585.00	-
FR Band OSU FR Conc.	-	3,911.94	3,911.94	-
FR Boys BB STW Finest Cards	-	3,000.00	3,000.00	-
FR FCCLA STW Finest Cards	-	3,810.00	3,810.00	-
NDN Club	217.55	256.00	134.96	338.59
FR FFA Meat Sales	-	65,061.50	65,061.50	-
FR V. MUS STW Finest Cards	-	4,575.00	4,575.00	-
L. Allred Memorial Golf Sch.	17,000.00	500.00	1,000.00	16,500.00
FR Lib. Book Fair	-	789.09	789.09	-
Orchestra Booster Club	5,177.78	6,079.48	6,039.72	5,217.54
Young Democrats Club	219.00	-	-	219.00
FR Orch Bstrs Hrvst Hodwn	-	1,150.00	1,150.00	-
FR Orch/Choir Frozen Foods	-	11,366.05	11,366.05	-
FR DECA "Spirit" Store	-	273.00	273.00	-
FR DECA Sprts Conc/Vball	-	1,706.00	1,706.00	-
FR DECA Sprts Conc	-	1,655.00	1,655.00	-
POM Sponsor	7.33	-	-	7.33
Soft Drink Commission	851.52	667.61	1,410.73	108.40
Recycling Club	429.18	118.67	274.89	272.96
FR V. Music Citris Fruit Sale	-	2,734.72	2,734.72	-
FR V. Music Catalog Sale	-	1,627.50	1,627.50	-
Subtotals - to page 41	\$ 284,648.28	\$ 851,107.77	\$ 879,062.40	\$ 256,693.65

The accompanying Notes to the Financial Statements are an integral part of this statement.

(continued)

**Stillwater School District No. I-16**  
**Combining Statement of Changes in Assets and Liabilities (Regulatory Basis)**  
**Fiduciary Funds -Activity Funds**  
**For the Year Ended June 30, 2012**

	Balance			Balance
<u>HIGH SCHOOL ACTIVITIES</u>	<u>July 1, 2011</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>June 30, 2012</u>
Subtotals - from page 40	\$ 284,648.28	\$ 851,107.77	\$ 879,062.40	\$ 256,693.65
FR DECA SPTS Con	-	3,392.00	3,392.00	-
Concession Equipment Fund	54.66	-	-	54.66
FR FCCLA Snacks/Appetizers	-	584.80	584.80	-
FR BK Club Coffee/H.Choc.	-	451.34	451.34	-
Disc Golf & Ultimate Club	520.00	788.00	766.00	542.00
Art Instruction	386.40	2,925.00	2,913.22	398.18
FR Jr Class Spirit Wear	-	5,767.00	5,767.00	-
Ballroom Dancing Club	0.36	-	-	0.36
Pottery Instructional	2,503.00	3,050.00	2,893.00	2,660.00
Students for Human Rights	89.00	82.00	36.57	134.43
FR STUCO Bake Sale	-	75.00	75.00	-
FR Orch Magazine Sales	-	6,722.56	6,722.56	-
Groove Squad	38.00	-	-	38.00
FR FFA Meat Sales/II Sem	-	18,173.00	18,173.00	-
FR Band OSU BB Conc	-	3,252.23	3,252.23	-
International Club	107.38	189.60	271.68	25.30
FR DECA H/C T-Shirts	-	5,518.00	5,518.00	-
Writing Club	25.47	-	-	25.47
FR FCCLA Candles	-	137.00	137.00	-
FR Stu Tech Pioneer Revue	-	2,050.00	2,050.00	-
Poetry Club	-	69.75	-	69.75
History Club Haines	24.34	73.80	25.97	72.17
Total High School	<u>\$ 288,396.89</u>	<u>\$ 909,200.85</u>	<u>\$ 936,883.77</u>	<u>\$ 260,713.97</u>

**Stillwater School District No. I-16**  
**Combining Statement of Changes in Assets and Liabilities (Regulatory Basis)**  
**Fiduciary Funds -Activity Funds**  
**For the Year Ended June 30, 2012**

	Balance July 1, 2011	Receipts	Disbursements	Balance June 30, 2012
<b><u>JUNIOR HIGH ACTIVITIES</u></b>				
Art	\$ 109.50	\$ 1,175.00	\$ 950.71	\$ 333.79
Athletics	8,847.73	42,162.83	46,704.25	4,306.31
Cheerleaders 9th Grade	5,388.91	10,722.85	10,439.20	5,672.56
Clearing	-	15,950.13	15,950.13	-
Concessions	340.04	848.49	729.21	459.32
Teachers Courtesy Fund	182.34	447.63	412.23	217.74
Special Events	1,213.72	1,792.92	2,819.41	187.23
FCCLA	72.01	1,512.30	1,252.40	331.91
General	2,213.67	2,929.20	2,263.57	2,879.30
Facility Rental	2,104.60	1,710.00	2,038.47	1,776.13
Sewing	312.77	1,172.30	994.82	490.25
Journalism	14,182.28	19,324.77	21,307.12	12,199.93
Language Arts	354.62	300.00	214.60	440.02
Library	674.56	721.09	742.32	653.33
Locker	2.69	312.00	302.25	12.44
Social Studies	250.00	450.00	493.61	206.39
Spanish	59.01	210.00	269.01	-
Speech	2.74	1,209.50	1,212.24	-
Art-Jackson	25.67	630.00	630.41	25.26
Student Council	1,654.85	1,514.00	2,243.60	925.25
Tech Education	613.72	2,217.31	2,582.38	248.65
TSA	787.94	1,173.70	1,199.63	762.01
Vocal Music	1,106.29	10,286.67	10,324.60	1,068.36
Beta Club	158.74	2,526.00	2,642.63	42.11
Cheerleaders 8th Grade	3,197.64	5,175.60	4,915.59	3,457.65
Youth & Government	812.00	4,570.00	4,144.00	1,238.00
FR TSA Coffee/Hot Choc Sales	-	2,479.00	2,479.00	-
FR FCCLA Catalog Sales	-	1,291.00	1,291.00	-
FR Library Book Fair	-	1,926.33	1,926.33	-
FR V. Music Catalog Sales/I Sem	-	3,301.20	3,301.20	-
FR V. Music Catalog Sales/II Sem	-	554.00	554.00	-
FR ISA Student Store	-	80.00	80.00	-
Agendas	1,782.21	4,653.15	1,848.51	4,586.85
FR ISA Student Store/II Sem	-	51.25	51.25	-
FR Stuco Spring Semi-Formal	-	3,745.00	3,745.00	-
Builders Club	439.17	195.00	480.95	153.22
Native American Club	398.34	336.25	385.09	349.50
FR 8th/9th CHRS Flower Sales	-	2,117.80	2,117.80	-
FR 8th/9th CHRS Recital Flwr	-	2,245.75	2,245.75	-
FR FACS Art Show	-	190.00	190.00	-
Total Junior High	<u>\$ 47,287.76</u>	<u>\$ 154,210.02</u>	<u>\$ 158,474.27</u>	<u>\$ 43,023.51</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

(continued)

**Stillwater School District No. I-16**  
**Combining Statement of Changes in Assets and Liabilities (Regulatory Basis)**  
**Fiduciary Funds -Activity Funds**  
**For the Year Ended June 30, 2012**

<u>MIDDLE SCHOOL ACTIVITIES</u>	Balance July 1, 2011	Receipts	Disbursements	Balance June 30, 2012
Clearing	\$ -	\$ 2,606.21	\$ 2,606.21	\$ -
Yearbook	8,344.71	13,293.70	14,171.82	7,466.59
Facility Rental	6,083.51	27,503.74	15,272.54	18,314.71
Library	1,924.98	2,997.41	3,994.00	928.39
Indian Student Assoc.	253.38	539.00	679.52	112.86
Alpha Team	293.90	-	132.81	161.09
Physical Education	67.43	-	-	67.43
Art Club	-	558.00	399.64	158.36
Student Council	1,608.01	7,092.15	2,996.43	5,703.73
Engineering	-	2,660.00	-	2,660.00
Kay Hutson Memorial Fund	202.59	-	32.23	170.36
Arete` Team	418.82	-	270.77	148.05
Special Events	2,525.12	10,179.51	11,607.51	1,097.12
Omega Team	378.01	-	345.32	32.69
Titans Team	333.10	52.48	271.88	113.70
Guidance	335.33	-	119.85	215.48
Artisans Team	429.60	-	344.97	84.63
Agenda	951.75	3,914.25	3,674.70	1,191.30
FR Stuco Dance/I Sem	-	2,511.75	2,511.75	-
FR Sch Wide STW Finest Cards	-	1,752.00	1,752.00	-
FR Lib Book Fair/I Sem	-	4,495.02	4,495.02	-
FR Stuco Dance/II Sem	-	2,397.90	2,397.90	-
FR Art Club Candles	-	1,141.50	1,141.50	-
FR Lib Book Fair/II Sem	-	3,220.97	3,220.97	-
FR ISA Bake Sale	-	334.00	334.00	-
Total Middle School	<u>\$ 24,150.24</u>	<u>\$ 87,249.59</u>	<u>\$ 72,773.34</u>	<u>\$ 38,626.49</u>

**Stillwater School District No. I-16**  
**Combining Statement of Changes in Assets and Liabilities (Regulatory Basis)**  
**Fiduciary Funds -Activity Funds**  
**For the Year Ended June 30, 2012**

	Balance			Balance
<u>HIGHLAND PARK ACTIVITIES</u>	<u>July 1, 2011</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>June 30, 2012</u>
After School Art Program	\$ -	\$ 1,960.00	\$ 1,960.00	\$ -
Field Trip	421.00	-	421.00	-
Facility Rental	-	5,000.00	405.35	4,594.65
Library	2,693.99	6,088.55	3,835.46	4,947.08
Student Supplies	3,147.49	10,790.65	9,353.22	4,584.92
Special Events	16,201.24	12,253.04	24,312.87	4,141.41
Total Highland Park Elementary	<u>\$ 22,463.72</u>	<u>\$ 36,092.24</u>	<u>\$ 40,287.90</u>	<u>\$ 18,268.06</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

(continued)



**Stillwater School District No. I-16**  
**Combining Statement of Changes in Assets and Liabilities (Regulatory Basis)**  
**Fiduciary Funds -Activity Funds**  
**For the Year Ended June 30, 2012**

	Balance			Balance
<u>RICHMOND ACTIVITIES</u>	<u>July 1, 2011</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>June 30, 2012</u>
After School Art Program	\$ -	\$ 3,955.00	\$ 3,955.00	\$ -
Facility Rental	-	5,180.00	2,333.11	2,846.89
Library	376.46	219.87	28.09	568.24
Miscellaneous	10,932.62	23,190.52	29,098.64	5,024.50
Choir	-	2,857.29	2,857.29	-
FR Choir Car Wash	-	580.25	580.25	-
Student Supplies	1,282.47	13,533.46	13,613.28	1,202.65
Summer School	-	6,435.00	6,435.00	-
Special Events	545.01	345.42	872.61	17.82
FR Choir Applebees/Sem1	-	1,060.31	1,060.31	-
Natnal Geographic Grant	3,266.61	-	3,266.61	-
FR Choir Applebees/Sem2	-	1,279.18	1,279.18	-
Total Richmond Elementary	<u>\$ 16,403.17</u>	<u>\$ 58,636.30</u>	<u>\$ 65,379.37</u>	<u>\$ 9,660.10</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

(continued)

**Stillwater School District No. I-16**  
**Combining Statement of Changes in Assets and Liabilities (Regulatory Basis)**  
**Fiduciary Funds -Activity Funds**  
**For the Year Ended June 30, 2012**

	Balance			Balance
<u>SKYLINE ACTIVITIES</u>	<u>July 1, 2011</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>June 30, 2012</u>
After School Art Program	\$ -	\$ 1,715.00	\$ 1,715.00	\$ -
Facility Rental	2,859.97	5,000.00	756.90	7,103.07
Field Trips	32.25	-	-	32.25
NEA Grant/Ortiz	590.74	-	590.74	-
Library	3,521.44	3,386.30	3,454.26	3,453.48
Miscellaneous	46.56	5.00	27.08	24.48
SK Art Class	105.72	-	105.72	-
Teacher Grants	0.33	1,325.00	1,000.00	325.33
Student Supplies	58.35	15,096.60	12,650.38	2,504.57
Summer School	-	14,005.00	14,005.00	-
Special Events	2,199.72	4,598.31	2,728.55	4,069.48
Super Kids Fund	124.08	-	-	124.08
Adaptive Swim	-	1,000.00	-	1,000.00
Student Store	352.18	158.87	-	511.05
Skyline Garden Grant	707.53	150.00	707.34	150.19
Total Skyline Elementary	<u>\$ 10,598.87</u>	<u>\$ 46,440.08</u>	<u>\$ 37,740.97</u>	<u>\$ 19,297.98</u>

**Stillwater School District No. I-16**  
**Combining Statement of Changes in Assets and Liabilities (Regulatory Basis)**  
**Fiduciary Funds -Activity Funds**  
**For the Year Ended June 30, 2012**

	Balance			Balance
<u>SANGRE RIDGE ACTIVITIES</u>	<u>July 1, 2011</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>June 30, 2012</u>
After School Art Program	\$ -	\$ 3,850.00	\$ 3,850.00	\$ -
Chorus	13.75	335.00	316.25	32.50
Facility Rental	484.50	5,530.00	5,014.94	999.56
Miscellaneous	2,476.73	18,284.40	20,607.77	153.36
PTA Donations	54.19	-	-	54.19
Physical Education	189.10	-	-	189.10
Student Supplies	1,962.40	12,463.99	14,141.34	285.05
Special Events	1,279.30	2,458.76	2,138.55	1,599.51
Community Partner Program	35.70	1,784.52	1,784.52	35.70
Total Sangre Ridge Elementary	<u>\$ 6,495.67</u>	<u>\$ 44,706.67</u>	<u>\$ 47,853.37</u>	<u>\$ 3,348.97</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

(continued)

**Stillwater School District No. I-16**  
**Combining Statement of Changes in Assets and Liabilities (Regulatory Basis)**  
**Fiduciary Funds -Activity Funds**  
**For the Year Ended June 30, 2012**

	Balance			Balance
<u>WILL ROGERS ACTIVITIES</u>	<u>July 1, 2011</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>June 30, 2012</u>
After School Art Program	\$ -	\$ 1,905.00	\$ 1,905.00	\$ -
Facility Rental	-	5,000.00	627.00	4,373.00
Field Trips	250.94	3,981.51	3,581.75	650.70
Will Rogers Walking Trail	6,128.61	5,504.70	-	11,633.31
Library	4,257.58	5,980.35	4,912.35	5,325.58
Curriculum	3,789.88	1,189.11	3,723.68	1,255.31
Student Supplies	1,211.06	12,574.32	8,690.44	5,094.94
Student Store	430.75	1,654.00	1,743.68	341.07
Special Events	3,553.85	5,188.95	6,069.20	2,673.60
Professional Development	236.66	5,000.00	209.00	5,027.66
Total Will Rogers Elementary	<u>\$ 19,859.33</u>	<u>\$ 47,977.94</u>	<u>\$ 31,462.10</u>	<u>\$ 36,375.17</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

(continued)

**Stillwater School District No. I-16**  
**Combining Statement of Changes in Assets and Liabilities (Regulatory Basis)**  
**Fiduciary Funds -Activity Funds**  
**For the Year Ended June 30, 2012**

	Balance			Balance
<u>WESTWOOD ACTIVITIES</u>	<u>July 1, 2011</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>June 30, 2012</u>
After School Art Program	\$ -	\$ 2,065.00	\$ 2,065.00	\$ -
Facility Rental	6,766.00	12,300.00	2,756.93	16,309.07
Library	119.22	3,794.45	1,191.20	2,722.47
Donations	2,345.62	762.15	2,284.03	823.74
PTA Donations	152.65	1,233.97	833.41	553.21
Student Supplies	9,040.67	14,444.79	23,465.73	19.73
Foreign Language - Chinese	68.28	-	-	68.28
Special Events	3,662.12	7,754.61	4,853.99	6,562.74
Excel	343.79	1,500.00	160.56	1,683.23
Total Westwood Elementary	<u>\$ 22,498.35</u>	<u>\$ 43,854.97</u>	<u>\$ 37,610.85</u>	<u>\$ 28,742.47</u>

**Stillwater School District No. I-16**  
**Combining Statement of Changes in Assets and Liabilities (Regulatory Basis)**  
**Fiduciary Funds -Activity Funds**  
**For the Year Ended June 30, 2012**

	Balance			Balance
<u>LINCOLN ALTERNATIVE ACTIVITIES</u>	<u>July 1, 2011</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>June 30, 2012</u>
Miscellaneous	\$ 2,041.37	\$ 6,267.48	\$ 8,097.27	\$ 211.58
Indian Student Association	67.21	205.00	177.53	94.68
Friends of Lincoln	802.00	1,584.40	1,882.34	504.06
Total Lincoln Alternative Academy	<u>\$ 2,910.58</u>	<u>\$ 8,056.88</u>	<u>\$ 10,157.14</u>	<u>\$ 810.32</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

(continued)

**Stillwater School District No. I-16**  
**Combining Statement of Changes in Assets and Liabilities (Regulatory Basis)**  
**Fiduciary Funds -Activity Funds**  
**For the Year Ended June 30, 2012**

<u>CURRICULUM ACTIVITIES</u>	Balance July 1, 2011	Receipts	Disbursements	Balance June 30, 2012
Grant/Change of Course	\$ 902.70	\$ -	\$ 855.76	\$ 46.94
Grant/Innovation	350.47	-	350.47	-
Grant/Fine Arts	1,151.04	7,500.00	7,560.00	1,091.04
Total Curriculum	<u>\$ 2,404.21</u>	<u>\$ 7,500.00</u>	<u>\$ 8,766.23</u>	<u>\$ 1,137.98</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

(continued)

**Stillwater School District No. I-16**  
**Combining Statement of Changes in Assets and Liabilities (Regulatory Basis)**  
**Fiduciary Funds -Activity Funds**  
**For the Year Ended June 30, 2012**

	Balance			Balance
<u>PROFESSIONAL DEVELOPMENT ACTIVITIES</u>	<u>July 1, 2011</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>June 30, 2012</u>
Miscellaneous	\$ 134.62	\$ 81.83	\$ 170.74	\$ 45.71
Supplies	149.77	-	149.77	-
Teacher of the Year	306.30	3,462.00	270.33	3,497.97
Total Professional Development Center	<u>\$ 590.69</u>	<u>\$ 3,543.83</u>	<u>\$ 590.84</u>	<u>\$ 3,543.68</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

(continued)



**Stillwater School District No. I-16**  
**Combining Statement of Changes in Assets and Liabilities (Regulatory Basis)**  
**Fiduciary Funds -Activity Funds**  
**For the Year Ended June 30, 2012**

	Balance			Balance
<u>SPECIAL EVENTS ACTIVITIES</u>	<u>July 1, 2011</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>June 30, 2012</u>
Special Events	\$ 525.18	\$ 308.00	\$ 423.30	\$ 409.88
Total Special Events	<u>\$ 525.18</u>	<u>\$ 308.00</u>	<u>\$ 423.30</u>	<u>\$ 409.88</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

(continued)

**Stillwater School District No. I-16**  
**Combining Statement of Changes in Assets and Liabilities (Regulatory Basis)**  
**Fiduciary Funds -Activity Funds**  
**For the Year Ended June 30, 2012**

	Balance			Balance
<u>SPS TRANSPORTATION ACTIVITIES</u>	<u>July 1, 2011</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>June 30, 2012</u>
Special Events	\$ 4,784.92	\$ 6,925.69	\$ 5,825.93	\$ 5,884.68
Total SPS-Transportation	<u>\$ 4,784.92</u>	<u>\$ 6,925.69</u>	<u>\$ 5,825.93</u>	<u>\$ 5,884.68</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

(continued)

**Stillwater School District No. I-16**  
**Combining Statement of Changes in Assets and Liabilities (Regulatory Basis)**  
**Fiduciary Funds -Activity Funds**  
**For the Year Ended June 30, 2012**

	Balance			Balance
<u>BOARD OF EDUCATION ACTIVITIES</u>	<u>July 1, 2011</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>June 30, 2012</u>
Special Events	15,353.59	15,453.11	\$ 12,111.67	18,695.03
Elem Stu Supp	291.25	75,416.13	75,520.00	187.38
Total Board of Education	<u>\$ 15,644.84</u>	<u>\$ 90,869.24</u>	<u>\$ 87,631.67</u>	<u>\$ 18,882.41</u>
TOTAL ASSETS				
Cash	<u>\$ 485,014.42</u>	<u>\$ 1,545,572.30</u>	<u>\$ 1,541,861.05</u>	<u>\$ 488,725.67</u>
TOTAL LIABILITIES				
Due to Students	<u>\$ 485,014.42</u>	<u>\$ 1,545,572.30</u>	<u>\$ 1,541,861.05</u>	<u>\$ 488,725.67</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

(continued)

**Stillwater School District No. I-16**  
**Schedule of Expenditure of Federal Awards**  
**For the Year Ended June 30, 2012**

<b>Federal Grantor/Pass-Through Grantor/ Program Title</b>	<b>Federal CFDA Number</b>	<b>Grantor's Number</b>	<b>Approved Amount</b>	<b>Balance at July 1, 2011</b>	<b>Receipts</b>	<b>Federal Expenditures</b>	<b>Receivables / (Payables) Balance at June 30, 2012</b>
<b>U.S. Department of Education</b>							
<i>Direct Programs:</i>							
Title VII, Part A - Indian Education	84.060	561	\$ 84,763.00	\$ -	\$ 84,763.00	\$ 84,763.00	\$ -
<i>Passed Through State Department of Education:</i>							
Title I, Part A - Improving Basic Programs	84.010	511	1,111,766.82	4,829.95	1,008,521.69	1,042,154.52	38,462.78
Title I, Part A - Neglected	84.010	518	4,519.70	-	2,175.00	2,325.00	150.00
Title I, ARRA, Part A	84.389	799	622.24	622.24	622.24	-	-
IDEA-B, Flow Through	84.027	621	1,045,132.34	58,363.53	1,100,409.00	1,042,583.96	538.49
IDEA-B, Discretionary	84.027	613	5,000.00	-	-	5,979.12	5,979.12
IDEA-B, Early Intervention	84.027	623	45,184.00	-	44,404.58	44,434.58	30.00
IDEA-B, Flow Through	84.027	625	3,685.36	-	3,588.83	3,588.83	-
IDEA-B, Preschool	84.173	641	21,795.20	3,783.28	25,578.48	21,795.20	-
Title II, Part A - Teacher and Principal Training and Recruiting Fund	84.367	541	145,489.43	59.50	108,254.81	114,520.44	6,325.13
Title II, Part A - Video Conference Centers	84.367	543	29,500.00	-	17,999.04	17,999.04	-
Title II, Part D - Enhancing Education Through Technology, 25% Technology	84.318X	546	391.44	-	391.44	391.44	-
Title III, Part A	84.365	572	30,293.96	6,025.08	18,033.06	23,046.87	11,038.89
Title X, Part C - Education for Homeless Children and Youth	84.196	596	66,017.12	19,108.02	66,257.52	63,113.45	15,963.95
Title II, Adult Education and Literacy	84.002	731	74,422.61	71.40	74,494.01	74,422.61	-
<i>Passed Through Oklahoma Department of Vocational Education:</i>							
Carl Perkins Programs	84.048	421	61,653.00	-	61,517.09	61,653.00	135.91
<b>Total U.S. Department of Education</b>			<b>\$ 2,730,236.22</b>	<b>\$ 92,863.00</b>	<b>\$ 2,617,009.79</b>	<b>\$ 2,602,771.06</b>	<b>\$ 78,624.27</b>

(continued)

**Stillwater School District No. I-16**  
**Schedule of Expenditure of Federal Awards**  
**For the Year Ended June 30, 2012 (continued)**

<b>Federal Grantor/Pass-Through Grantor/ Program Title</b>	<b>Federal CFDA Number</b>	<b>Grantor's Number</b>	<b>Approved Amount</b>	<b>Balance at July 1, 2011</b>	<b>Receipts</b>	<b>Federal Expenditures</b>	<b>Receivables / Payables Balance at June 30, 2012</b>
<b>U.S. Department of Agriculture</b>							
<i>Passed Through State Department of Education:</i>							
National School Breakfast Program	10.553	764	\$ N/A	\$ -	\$ 326,134.59	\$ 326,612.02	\$ 477.43
National School Lunch Program	10.555	763	N/A	-	869,298.34	869,298.34	-
Summer Food Program	10.559	766	N/A	15,085.05	26,820.19	19,250.00	7,514.86
 <i>Passed Through Department of Health &amp; Human Services</i>							
Commodities - Note B	10.550	385	N/A	-	98,583.06	98,583.06	-
 <i>Passed Through Oklahoma Health Care Authority</i>							
Medicaid Resources	93.778		<u>\$ 340,392.19</u>	<u>\$ -</u>	<u>\$ 242,631.88</u>	<u>\$ 340,390.19</u>	<u>\$ 97,758.31</u>
 <b>Total U.S. Department of Agriculture</b>			<u>\$ 340,392.19</u>	<u>\$ 15,085.05</u>	<u>\$ 1,563,468.06</u>	<u>\$ 1,654,133.61</u>	<u>\$ 105,750.60</u>
 <b><u>Other Federal Assistance</u></b>							
Rehabilitative Services	84.126	456	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,940.29</u>	<u>\$ 7,015.73</u>	<u>\$ 3,075.44</u>
 <b>TOTAL FEDERAL ASSISTANCE</b>			<u><u>\$ 3,070,628.41</u></u>	<u><u>\$ 107,948.05</u></u>	<u><u>\$ 4,184,418.14</u></u>	<u><u>\$ 4,263,920.40</u></u>	<u><u>\$ 79,945.60</u></u>

**Note A** - This schedule was prepared on the accrual basis of accounting. The information in this schedule is presented in Accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**Note B** – Food Distribution: Non-monetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed.

The accompanying Notes to the Financial Statements are an integral part of this statement.

**Stillwater School District No. I-16  
Schedule of Accountant's Professional Liability Insurance Affidavit  
For the Year Ended June 30, 2012**

State of Oklahoma    )  
                                  )ss  
County of Craig        )

The undersigned auditing firm of lawful age, being first duly sworn on oath says that said firm had in full force and effect Accountant's Professional Liability Insurance in accordance with the "Oklahoma Public School Audit Law" at the time of audit contract and during the entire audit engagement with Stillwater Public Schools for the audit year 2011-2012.

Turner & Associates, PLC

\_\_\_\_\_  
Auditing Firm

by \_\_\_\_\_  
Authorized Agent

Subscribed and sworn to before me this 2<sup>nd</sup> day of November, 2012.

Notary Public (or Clerk or Judge)

**Stillwater School District No. I-16  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2012**

**SUMMARY OF AUDITOR'S RESULTS**

1. The auditor's report expresses an adverse opinion on the combined financial statements in conformity with generally accepted accounting principles and a qualified opinion for the omission of the general fixed asset account group on the combined financial statements in conformity with a regulatory basis of accounting prescribed by the Oklahoma Department of Education.
2. No significant deficiencies relating to the audit of the financial statements is reported in the Schedule of Findings and Questioned Costs.
3. No instances of noncompliance material to the financial statements of Stillwater School District were disclosed during the audit.
4. No significant deficiencies relating to the audit of the major federal award programs during the audit are reported in the Independent Auditor's Report on Compliance with Requirement that could have a direct material effect on each major Program and Internal Control over Compliance with OMB Circular A-133.
5. The auditor's report on compliance for the major federal award programs for Stillwater School District expresses an unqualified opinion on all major federal programs.
6. Audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 are reported in this schedule.
7. The programs tested as major programs included: Title I – CFDA No. 84.010; Title I, Migrant Education – CFDA 84.011; ARRA Title I – CFDA 84.389; ARRA Education Jobs Fund – CFDA No. 84.410; ARRA Education Stabilization – CFDA 84.384; IDEA B Flowthrough – CFDA No. 84.027; ARRA Special Education – CFDA 84.391A; IDEA B Preschool – CFDA No. 84.173; ARRA Special Education Preschool – CFDA 84.392A.
8. The threshold used for distinguishing between Type A and B programs was \$300,000.
9. Stillwater School District is not a low-risk auditee.



**Stillwater School District No. I-16  
Payne County, Oklahoma  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2012**

**FINDINGS - FINANCIAL STATEMENT AUDIT**

None.

**FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT**

None.

**Payne County, Oklahoma  
Summary Schedule of Prior Audit Findings  
For the Year Ended June 30, 2012**

**PRIOR AUDIT FINDINGS**

None.