

ANNUAL FINANCIAL REPORT
INDEPENDENT SCHOOL DISTRICT NO. 27
YUKON PUBLIC SCHOOL DISTRICT
CANADIAN COUNTY, OKLAHOMA
JULY 1, 2021 TO JUNE 30, 2022

YUKON PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 27
CANADIAN COUNTY, OKLAHOMA
JUNE 30, 2022

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YUKON PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 27
CANADIAN COUNTY, OKLAHOMA
JULY 1, 2021 TO JUNE 30, 2022

SCHOOL DISTRICT BOARD MEMBERS

Suzanne Cannon
Leonard Wells
Chris Cunningham
Brian Coulson
Cody Sanders

SUPERINTENDENT OF SCHOOL DISTRICT

William Jason Simeroth

CLERK OF THE BOARD

Suzanne Cannon

SCHOOL DISTRICT TREASURER

Jim Fenrick

PUTNAM & COMPANY, PLLC

CERTIFIED PUBLIC ACCOUNTANTS
169 S.E. 32ND
EDMOND, OKLAHOMA 73013
(405) 348-3800
fax (405) 348-3846

INDEPENDENT AUDITOR'S REPORT

The Honorable Board of Education
Yukon Public School District I#27
Canadian County, Oklahoma

Report on the Audit of Financial Statements

Opinions

We have audited the accompanying combined fund type and account group financial statements-regulatory basis of the Yukon Public School District I#27, Canadian County, Oklahoma, (the District) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the effects of the matter described in the "Basis for Qualified Opinion on Regulatory Basis of Accounting" paragraph, the combined financial statements referred to above present fairly, in all material respects, the assets, liabilities and fund balances arising from regulatory basis transactions of each fund type and account group of the District, as of June 30, 2022, and the revenues collected and expenditures paid and encumbered for the year then ended, on the regulatory basis of accounting described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraphs, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the District as of June 30, 2022, or the revenues, expenses, and changes in net position and, where applicable, cash flows thereof for the year then ended.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and qualified audit opinions.

Basis for Qualified Opinion on Regulatory Basis of Accounting

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

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 to the financial statements, to meet the financial reporting requirements of the Oklahoma State Department of Education, the financial statements are prepared by the District on the basis of the financial reporting regulations prescribed or permitted by the Oklahoma State Department of Education, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting regulations prescribed or permitted by the Oklahoma State Department of Education as described in Note 1, to meet the financial reporting requirements of the State of Oklahoma; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the fund type and account group financial statements-regulatory basis that collectively comprise the District's basic financial statements. The accompanying combining financial statements-regulatory basis and the schedule of expenditures of federal awards, as required by *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principals and Audit Requirements for Federal Awards*, as listed in the accompanying table of contents, are presented for purposes of additional analysis and are not a required part of the basic 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 combined financial statements-regulatory basis. The information has been subjected to the auditing procedure applied in the audit of the fund type and account group financial statements within the combined financial statements-regulatory basis and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, except for the financial statements being prepared in compliance with regulatory basis as prescribed by the Oklahoma State Department of Education as discussed in Note 1, the combining financial statements-regulatory basis and the other supplementary information and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the combined financial statements-regulatory basis as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 17, 2022, on our consideration of the District's, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 effectiveness of Yukon School District #I-27, Canadian County, Oklahoma's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Putnam & Company

Putnam & Company, PLLC

COMBINED FINANCIAL STATEMENTS

**YUKON SCHOOL DISTRICT NO. 27
CANADIAN COUNTY, OKLAHOMA
COMBINED STATEMENT OF ASSETS AND LIABILITIES
(ALL FUND TYPES AND ACCOUNT GROUPS) - REGULATORY BASIS
JUNE 30, 2022**

	Governmental Fund Types				Fiduciary Fund Types	Account Groups	Totals
	General	Special Revenue	Debt Service	Capital Projects	Trust and Agency	General Long-Term Debt	(Memorandum Only)
ASSETS							
Cash and Cash Equivalents	\$23,079,499	8,882,789		17,857,507	2,549,821		52,369,616
Amount Available for Debt Service			16,440,443			877,578	17,318,021
Amount to be Provided for General Long-Term Debt						34,212,951	34,212,951
Total Assets	\$23,079,499	8,882,789	16,440,443	17,857,507	2,549,821	35,090,529	103,900,588
LIABILITIES							
Warrants Payable	\$9,920,942	512,374		4,928,169	60,846		15,422,331
Reserved for Encumbrances	878,586	1,292,989		9,108,368			11,279,943
Long-Term Debt							
Bonds Payable			15,435,000			33,745,000	49,180,000
Interest Payable			127,865			1,345,529	1,473,394
Total Liabilities	10,799,528	1,805,363	15,562,865	14,036,537	60,846	35,090,529	77,355,668
FUND EQUITY							
Fund Equity:							
Designated for Building Projects		4,755,632					4,755,632
Designated for Child Nutrition Programs		2,321,794					2,321,794
Designated for Debt Service			877,578				877,578
Designated for Capital Projects				3,820,970			3,820,970
Designated for Insurance Programs					580,561		580,561
Designated for Unemployment Programs					29,490		29,490
Designated for Student Activities					1,878,924		1,878,924
Fund Balance	12,279,971						12,279,971
Total Fund Equity	12,279,971	7,077,426	877,578	3,820,970	2,488,975	0	26,544,920
Total Liabilities and Fund Equity	\$23,079,499	8,882,789	16,440,443	17,857,507	2,549,821	35,090,529	103,900,588

The notes to the financial statements are an integral part of this statement.

**YUKON SCHOOL DISTRICT NO. 27
CANADIAN COUNTY, OKLAHOMA
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
ALL GOVERNMENTAL FUND TYPES AND SIMILAR TRUST FUNDS - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022**

	Governmental Fund Types				Fiduciary Fund Types	Totals
	General	Special Revenue	Debt Service	Capital Projects	Trust and Agency	(Memorandum Only)
REVENUES:						
Local Sources	\$20,203,096	6,407,338	16,227,855	84,766	2,375,113	45,298,168
Intermediate Sources	2,952,333					2,952,333
State Sources	45,217,103	51,069				45,268,172
Federal Sources	6,016,816	5,492,969				11,509,785
Total Revenues Collected	74,389,348	11,951,376	16,227,855	84,766	2,375,113	105,028,458
EXPENDITURES:						
Instruction	46,113,174			7,530,198		53,643,372
Support Services	24,790,266	2,083,204		3,709,080	2,093,182	32,675,732
Operation of Non-Instructional Services	1,482,324	4,029,770			173,677	5,685,771
Facilities Aquisition & Construction Services		3,882,086		5,877,791		9,759,877
Other Outlays	312,366	637,250				949,616
Other Uses						0
DEBT SERVICE:						
Principal Retirement			15,418,750			15,418,750
Interest Paid			716,227			716,227
Total Expenditures	72,698,130	10,632,310	16,134,977	17,117,069	2,266,859	118,849,345
Revenues Over (Under) Expenditures	1,691,218	1,319,066	92,878	(17,032,303)	108,254	(13,820,887)
OTHER FINANCING SOURCES (USES):						
Return of Assets	1,537,957	18,084	280	190,000	18,132	1,764,453
Proceeds from Sale of Bonds				13,810,000		13,810,000
Deobligation of Prior Year Funds	314,779	21,186				335,965
Estopped Warrants	909				1,099	2,008
Total Other Financing Sources (Uses):	1,853,645	39,270	280	14,000,000	19,231	15,912,426
Revenue and Other Sources Over (Under) Expenditures and Other Uses	3,544,863	1,358,336	93,158	(3,032,303)	127,485	2,091,539
Fund Balance, Beginning of Year	8,735,108	5,719,090	784,420	6,853,273	2,361,490	24,453,381
Fund Balance, End of Year	\$12,279,971	7,077,426	877,578	3,820,970	2,488,975	26,544,920

The notes to the financial statements are an integral part of this statement.

**YUKON SCHOOL DISTRICT NO. 27
CANADIAN COUNTY, OKLAHOMA
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - REGULATORY BASIS
GENERAL FUND AND BUDGETED SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2022**

	General Fund			Special Revenue Funds		
	Original/ Final Budget	Actual	Variance Favorable (Unfavorable)	Original/ Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:						
Local Sources	\$17,823,466	20,203,096	2,379,630	2,447,591	6,407,338	3,959,747
Intermediate Sources	2,562,720	2,952,333	389,613			0
State Sources	40,422,151	45,217,103	4,794,952	31,058	51,069	20,011
Federal Sources	10,294,302	6,016,816	(4,277,486)	3,059,719	5,492,969	2,433,250
Total Revenues Collected	71,102,639	74,389,348	3,286,709	5,538,368	11,951,376	6,413,008
EXPENDITURES						
Instruction	53,562,747	46,113,174	7,449,573			0
Support Services	25,250,000	24,790,266	459,734	2,500,000	2,083,204	416,796
Non-Instructional Services	1,500,000	1,482,324	17,676	4,171,964	4,029,770	142,194
Facilities Acquisition & Construction Services			0	4,023,591	3,882,086	141,505
Other Outlays	325,000	312,366	12,634	656,250	637,250	19,000
Total Expenditures	80,637,747	72,698,130	7,939,617	11,351,805	10,632,310	719,495
Revenues Over (Under) Expenditures	(9,535,108)	1,691,218	11,226,326	(5,813,437)	1,319,066	7,132,503
OTHER FINANCING SOURCES (USES):						
Return of Assets	800,000	1,537,957	737,957	94,347	18,084	(76,263)
Deobligation of Prior Year Funds		314,779	314,779		21,186	21,186
Estopped Warrants		909	909			0
Total Other Financing Sources (Uses)	800,000	1,853,645	1,053,645	94,347	39,270	(55,077)
Revenue and Other Sources Over (Under) Expenditures and Other Uses	(8,735,108)	3,544,863	12,279,971	(5,719,090)	1,358,336	7,077,426
Fund Balance, Beginning of Year	8,735,108	8,735,108	0	5,719,090	5,719,090	0
Fund Balance, End of Year	\$0	12,279,971	12,279,971	0	7,077,426	7,077,426

The notes to financial statements are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

**YUKON SCHOOL DISTRICT NO. 27
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Yukon Public Schools Independent District No. 27, Canadian County, Oklahoma (the "District") have been prepared in conformity with an other comprehensive basis of accounting as prescribed by the Oklahoma State Department of Education. The more significant of the District's accounting policies are described below.

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 composed of elected members. The appointed superintendent is the executive officer of the District.

In evaluating how to define the district, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria established by the Governmental Accounting Standards Board (GASB). The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters.

A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the District and/or its citizens, or whether the activity is conducted within the geographic boundaries of the District and is generally available to its patrons.

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the District is able to exercise oversight responsibilities.

Based upon the application of these criteria, there are no potential component units included in the District's reporting entity.

B. Fund Accounting and Description of Funds

The District uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain district functions or activities.

**YUKON SCHOOL DISTRICT NO. 27
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

B. Fund Accounting and Description of Funds – (continued)

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 financial resources.

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

Governmental Fund Types

Governmental funds are used to account for all or most of a government’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).

General Fund – The general fund is used to account for all financial transactions, except those required to be accounted for in another fund. Major revenue sources include state and local property taxes and state funding under the Foundation and Salary Incentive Aid program. 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 includes federal and state restricted monies that must be expended for specific programs.

Special Revenue Fund – The special revenue fund is the District’s Building Fund. The Building Fund consists of monies derived from property taxes levied for the purpose of erecting, remodeling, or repairing buildings and for purchasing furniture and equipment.

The Child Nutrition Fund derives monies from State, Federal and local sources.

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

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the District. When these assets are held under the terms of a trust agreement, trust funds are used for their accounting and reporting. Agency funds generally are used to account for assets that the District holds on behalf of others as their agent and do not involve measurement of results of operations.

YUKON SCHOOL DISTRICT NO. 27
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Agency Fund – The Agency fund is the School Activities fund, which is used to account for monies, collected principally through fundraising efforts of the students and District-sponsored groups. The administration is responsible, under the authority of the Board, of collecting, disbursing and accounting for these activity funds.

Account Groups

Account groups are not funds and consist of a self-balancing set of accounts used only to establish accounting control over long-term debt and general fixed assets not accounted for in proprietary funds.

General Long-Term Debt Account Group – This account group was established to account for 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. It is also used to account for liabilities for compensated absences and early retirement incentives, which are to be paid from funds provided in future years.

General Fixed Asset Account Group – This account group is used to account for property, plant, and equipment of the school district. The District does not have the information necessary to include this group in its combined financial statements.

Memorandum Only – Total Column - The total column on the general purpose financial statements is captioned “memorandum only” to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position, results of operations or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

C. Basis of Accounting and Presentation

The District prepares its financial statements in a presentation format that is prescribed by the Oklahoma State Department of Education. This format is essentially the generally accepted form of presentation used by state and local governments prior to the effective date of GASB Statement No. 34, *Basic Financial Statements-Management’s Discussion and Analysis-for State and Local Governments*. This format significantly differs from that required by GASB 34.

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.
- Capital assets in proprietary funds are recorded when acquired and depreciated over their useful lives.
- Warrants payable are recorded as liabilities when issued.
- Long-term debt is recorded when incurred.
- Accrued compensated absences are recorded as an expenditure and liability when the obligation is incurred.

YUKON SCHOOL DISTRICT NO. 27
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

C. Basis of Accounting and Presentation – (continued)

This regulatory basis of accounting differs from accounting principles generally accepted in the United States of America, which require 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.

D. Budgets and Budgetary Accounting

The District is required by state law to prepare an annual budget. A preliminary budget must be submitted to the Board of Education by December 31 for the fiscal year beginning the following July 1. If the preliminary budget requires an additional levy, the District must hold an election on the second Tuesday in February to approve the levy. If the preliminary budget does not require an additional levy, it becomes the legal budget. If an election is held and the taxes are approved, then the preliminary budget becomes the legal budget. If voters reject the additional taxes, the District must adopt a budget within the approved tax rate.

The District may upon approval by a majority of the electors of the District voting on the question make the ad valorem levy for emergency levy and local support levy permanent. Under current Oklahoma Statutes, a formal budget is required for all funds except for trust and agency funds. Budgets are presented for all funds that include the originally approved budgeted appropriations for expenditures and final budgeted appropriations as adjusted for supplemental appropriations and approved transfers between budget categories.

E. Assets, Liabilities, and Fund Equity

Cash and Cash Equivalents – For purposes of the statement of cash flows, the District considers all cash on hand, demand deposits, and highly liquid investments, with an original maturity of three months or less when purchased, to be cash and cash equivalents.

Investments – Investments consist of direct obligations of the United States Government and Agencies with maturities greater than three months when purchased. All investments are recorded at cost, which approximates market value.

Property Tax 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 prior to October 1. The county treasurer must commence tax collection within fifteen days of receipt of the tax rolls. The first half of taxes are 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 year of assessment. If not paid by the following October 1, the property is offered for sale for the amount of 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.

YUKON SCHOOL DISTRICT NO. 27
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

E. Assets, Liabilities, and Fund Equity – (continued)

Inventories – The value of consumable inventories at June 30, 2022 is not material to the basic financial statements.

Fixed Assets – (Property, Plant, and Equipment)--The District has not maintained a historical record of its general fixed assets. Accordingly, a General Fixed Asset Account Group, which is required by the regulatory basis of accounting (as prescribed by the Oklahoma State Department of Education) is not presented. Amounts that should be recorded in the General Fixed Asset Account Group are not known. When general fixed assets are purchased, they are recorded as expenditures within the various funds. As a result, annual depreciation and accumulated depreciation are not reported in the financial statements.

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 benefits are not reflected in the financial statements because such statements are prepared on the regulatory basis of accounting. This practice differs from generally accepted accounting principles.

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. There are no amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources.

Long-Term Debt – Long-term debt is recognized as a liability of a governmental fund when due or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term debt account group. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds.

Fund Balance – Fund balance represents the cash and investments not encumbered by purchase order, legal contracts, and outstanding warrants.

F. Revenue, Expenses, and Expenditures

State Revenues – Revenues from state sources for current operations are primarily governed by the state aid formula under the provisions of Article XVIII, 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.

YUKON SCHOOL DISTRICT NO. 27
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

F. Revenue, Expenses, and Expenditures – (continued)

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.

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. These rules also 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.

Interfund Transactions – Quasi-external 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 expenditure/expenses in the fund that is reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers.

2. DEPOSIT AND INVESTMENT RISKS

Custodial Credit Risk - The District's policy as it relates to custodial credit risk is to secure its uninsured deposits with collateral, valued at no more than market value, at least at a level of 100 percent of the uninsured deposits and accrued interest thereon. The investment policy and state law also limits acceptable collateral to U.S. Treasury and agency securities and direct debt obligations of the state, municipalities, counties, and school districts in the state of Oklahoma, surety bonds, and letters of credit. As required by Federal 12 U.S.C.A., Section 1823(e), all financial institutions pledging collateral to the District must have a written collateral agreement approved by the board of directors or loan committee.

At June 30, 2022, the District was not exposed to custodial credit risk as defined above.

Investment Credit Risk – The District's investment policy limits investments to those allowed in state law applicable to school districts as follows:

- a. Direct obligations of the U.S. Government, its agencies and instrumentalities to which the full faith and credit of the U.S. Government is pledged, or obligations to the payment of which the full faith and credit of the State is pledged.
- b. Certificates of deposit or savings accounts that are either insured or secured with acceptable collateral with in-state financial institutions, and fully insured certificates of deposit or savings accounts in out-of-state financial institutions.

YUKON SCHOOL DISTRICT NO. 27
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Investment Credit Risk (continued) - Investment credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District has no formal policy limiting investments based on credit rating, but discloses any such credit risk associated with their investments. Unless there is information to the contrary, obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not require disclosure of credit quality.

Investment Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District’s investment policy limits investments to those with short-term maturities, as a means of managing exposure to fair value losses arising from increasing interest rates. The District discloses its exposure to interest rate risk by disclosing the maturity dates of its various investments.

Concentration of Investment Credit Risk – Exposure to concentration of credit risk is considered to exist when investments in any one issuer represent a significant percent of total investments of the District (any over 5 percent are disclosed). Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from this consideration. The District’s investment policy requires diversification of investments.

At June 30, 2022, the District had no concentration of credit risk as defined above.

3. INTER-FUND RECEIVABLES AND PAYABLES

There were no Interfund receivables or payables at June 30, 2022.

4. GENERAL 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.

**YUKON SCHOOL DISTRICT NO. 27
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

4. GENERAL LONG-TERM DEBT (continued)

General long-term debt of the District consists of bonds payable, obligations for compensated absences, and capital leases. Debt service requirements for bonds are payable solely from fund balance and future revenues of the debt service fund.

The following is a summary of the long-term debt transactions of the District for the year ended June 30, 2022:

	<u>Bonds</u> <u>Payable</u>	<u>Total</u>
Balance, July 1, 2021	\$48,005,000	\$ 48,005,000
Additions	14,000,000	14,000,000
Retirements	12,825,000	12,825,000
Balance, June 30, 2022	\$ 49,180,000	\$ 49,180,000

A brief description of the outstanding general obligation bond issues at June 30, 2022 is set forth below:

	<u>Amount</u> <u>Outstanding</u>
Independent School District No. 27 Building Bonds, Series 2021, original Issue \$14,000,000, interest rate of 2.60%, due in one payment of \$14,000,000, due May 1, 2024.	\$14,000,000
Independent School District No. 27 Building Bonds, Series 2020, original Issue \$15,025,000, interest rate of 0.50% to 0.625% , due in initial installment of \$7,000,000 and final payment of \$8,025,000 due November 1, 2023.	15,025,000
Independent School District No. 27 Building Bonds, Series 2019, original Issue \$17,305,000, interest rate of 2.00% to 2.125% , due in initial installment of \$3,055,000 and final payment of \$4,750,000 due November 1, 2025.	14,250,000
Independent School District No. 27 Building Bonds, Series 2018, original Issue \$7,430,000, interest rate of 3.25% to 3.375% , due in initial installment of \$1,850,000 and final payment of \$1,880,000 due November 1, 2024.	3,730,000

**YUKON SCHOOL DISTRICT NO. 27
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

4. GENERAL LONG-TERM DEBT -(continued)

Independent School District No. 27
Building Bonds, Series 2018. original
Issue \$8,175,000, interest rate of 2.00% to 2.5% ,
due in initial installment of \$2,000,000 and
final payment of \$2,175,000 due June 1, 2023. 2,175,000

TOTAL \$49,180,000

The annual debt service requirements for retirement of bond principal and payment of interest are as follows:

Year ending <u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 15,775,000	\$ 837,513	\$ 16,612,513
2024	28,655,000	588,381	29,243,381
2025	4,750,000	47,500	4,797,500
	\$ 49,180,000	\$ 1,473,394	\$ 50,653,394

Interest expense on general long-term debt incurred during the current year totaled \$716,227.

5. EMPLOYEE RETIREMENT SYSTEM

Basis of Accounting

The System's financial statements are prepared in conformity with accounting principles generally accepted in the United States of America. The financial statements have also been prepared in compliance with the requirements of the Government Accounting Standards Board Statement No. 34.

The financial statements are prepared on the accrual basis of accounting, under which expenses are recorded when the liability is incurred, revenues are recorded in the accounting period they are earned and become measurable, and investment purchases and sales are recorded as of their trade dates. Member and employer contributions are recognized when due, pursuant to formal commitments. Benefits and refunds are recognized when due and payable.

**YUKON SCHOOL DISTRICT NO. 27
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

5. EMPLOYEE RETIREMENT SYSTEM (continued)

Funding Policy

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. Actuarial valuations are not performed on individual school districts. The nonfunded pension benefit obligation of the System, as determined as part of the latest actuarial valuation indicates a significant unfunded pension benefit obligation.

A participant with five years of creditable service may retire with a normal retirement allowance at the age of sixty-two (62) or with reduced benefits as early as age fifty-five (55). The normal retirement allowance paid monthly for life and then to beneficiaries, if certain options are exercised, equals two percent of the average of the highest three earning years of contributory service multiplied by the number of years of credited service. A participant leaving employment before attaining retirement age, but completing ten years of service, may elect to vest his/her accumulated contributions and defer receipt of a retirement annuity until a later date. When a participant dies in active service and has completed ten years of credited service, the beneficiary is entitled to a death benefit of \$18,000.00 and the participant's contributions plus interest. If the beneficiary is a surviving spouse, the surviving spouse may, in lieu of the death benefit elect to receive, subject to the surviving spousal options, the participant's retirement benefits accrued at the time of death. The contribution rates for the Districts, which are not actuarially determined, and its employees are established by statute and applied to the employee's earnings, plus employer-paid fringe benefits. Employers' contribution of applicable employee earnings was 9.5% for the year ended June 30, 2022.

Annual Pension Cost

	Contribution	Total Payroll
2022	\$ 4,506,396.87	\$ 46,659,236.23
2021	\$ 4,257,625.82	\$ 44,603,841.79
2020	\$ 4,278,204.70	\$ 44,760,703.33

6. CONTINGENCIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. 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. The District is currently involved in litigation, the results of which are not determinable. Therefore, any fair value of the contingencies cannot be reasonably estimated.

**YUKON SCHOOL DISTRICT NO. 27
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

7. 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, employees' health and life, and natural disasters. The District manages these various risks of loss through the purchase of commercial insurance. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded this insurance coverage in any of the past three fiscal years.

8. SUBSEQUENT EVENTS

Subsequent events have been evaluated through November 17, 2022, which is the date the financial statements were issued.

OTHER SUPPLEMENTARY INFORMATION

YUKON SCHOOL DISTRICT NO. 27
CANADIAN COUNTY, OKLAHOMA
COMBINING STATEMENT OF ASSETS AND LIABILITIES
REGULATORY BASIS
SPECIAL REVENUE FUNDS
JUNE 30, 2022

	<u>BUILDING FUND</u>	<u>CHILD NUTRITION FUND</u>	<u>TOTALS (Memorandum Only)</u>
<u>ASSETS</u>			
Cash and Cash Equivalents	<u>\$6,019,213</u>	<u>2,863,576</u>	<u>8,882,789</u>
Total Assets	<u><u>\$6,019,213</u></u>	<u><u>2,863,576</u></u>	<u><u>8,882,789</u></u>
<u>LIABILITIES AND FUND EQUITY</u>			
Liabilities:			
Warrants Outstanding	\$176,634	335,740	512,374
Reserved for Encumbrances	<u>1,086,947</u>	<u>206,042</u>	<u>1,292,989</u>
Total Liabilities	<u>1,263,581</u>	<u>541,782</u>	<u>1,805,363</u>
Fund Balance:			
Unreserved	<u>4,755,632</u>	<u>2,321,794</u>	<u>7,077,426</u>
Total Fund Equity	<u>4,755,632</u>	<u>2,321,794</u>	<u>7,077,426</u>
Total Liabilities and Fund Equity	<u><u>\$6,019,213</u></u>	<u><u>2,863,576</u></u>	<u><u>8,882,789</u></u>

The notes to the financial statements are an integral part of this statement.

**YUKON SCHOOL DISTRICT NO. 27
CANADIAN COUNTY, OKLAHOMA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - REGULATORY BASIS
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2022**

	BUILDING FUND	CHILD NUTRITION FUND	TOTALS (Memorandum Only)
Revenues:			
Local Sources	\$6,407,338		6,407,338
State Sources	14,122	36,947	51,069
Federal Sources	197,276	5,295,693	5,492,969
Total Revenues Collected	6,618,736	5,332,640	11,951,376
Expenditures:			
Instruction			0
Support Services	2,083,204		2,083,204
Operation of Non-Instructional Services		4,029,770	4,029,770
Facilities Acquisition & Construction Services	3,882,086		3,882,086
Other Outlays	3,221	634,029	637,250
Total Expenditures	5,968,511	4,663,799	10,632,310
Total Revenues Over (Under) Expenditures	650,225	668,841	1,319,066
Other Financing Sources (Uses):			
Estopped Warrants			0
Deobligation of Prior Year Funds	21,186		21,186
Return of Assets	3,221	14,863	18,084
Total Other Financing Sources (Uses)	24,407	14,863	39,270
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	674,632	683,704	1,358,336
Fund Balance, Beginning of Year	4,081,000	1,638,090	5,719,090
Fund Balance, End of Year	\$4,755,632	2,321,794	7,077,426

The notes to the financial statements are an integral part of this statement.

**YUKON SCHOOL DISTRICT NO. 27
CANADIAN COUNTY, OKLAHOMA
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - BUDGETED SPECIAL REVENUE FUNDS - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022**

	Building Fund			Child Nutrition Fund		
	Original/ Final Budget	Actual	Variance Favorable (Unfavorable)	Original/ Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:						
Local Sources	\$2,447,591	6,407,338	3,959,747			0
State Sources			0	31,058	36,947	5,889
Federal Sources			0	3,059,719	5,295,693	2,235,974
Total Revenues	2,447,591	6,407,338	3,959,747	3,090,777	5,332,640	2,241,863
EXPENDITURES :						
Instruction			0			0
Support Services	2,500,000	2,083,204	416,796			0
Operation of Non-Instructional Services			0	4,171,964	4,029,770	142,194
Facilities Acquisition & Construction Services	4,023,591	3,882,086	141,505			0
Other Outlays	5,000		5,000	651,250	634,029	17,221
Total Expenditures	6,528,591	5,965,290	563,301	4,823,214	4,663,799	159,415
Revenues Over (Under) Expenditures	(4,081,000)	442,048	4,523,048	(1,732,437)	668,841	2,401,278
OTHER FINANCING SOURCES (USES):						
Estopped Warrants			0			0
Deobligation of Prior Year Funds		21,186	21,186			0
Return of Assets			0	94,347	14,863	(79,484)
Total Other Financing Sources (Uses)	0	21,186	21,186	94,347	14,863	(79,484)
Revenue and Other Sources Over (Under) Expenditures and Other Uses	(4,081,000)	463,234	4,544,234	(1,638,090)	683,704	2,321,794
Fund Balance, Beginning of Year	4,081,000	4,081,000	0	1,638,090	1,638,090	0
Fund Balance, End of Year	<u>\$0</u>	<u>4,544,234</u>	<u>4,544,234</u>	<u>0</u>	<u>2,321,794</u>	<u>2,321,794</u>

The notes to financial statements are an integral part of this statement.

YUKON SCHOOL DISTRICT NO. 27
CANADIAN COUNTY, OKLAHOMA
COMBINING STATEMENT OF ASSETS AND LIABILITIES - REGULATORY BASIS
CAPITAL PROJECTS FUNDS
JUNE 30, 2022

	BUILDING BOND FUND #31	BUILDING BOND FUND #37	BUILDING BOND FUND #38	BUILDING BOND FUND #39	TOTALS (Memorandum Only)
<u>ASSETS</u>					
Cash and Cash Equivalents	\$13,029,710	4,208,865	0	618,932	17,857,507
Total Assets	<u>\$13,029,710</u>	<u>4,208,865</u>	<u>0</u>	<u>618,932</u>	<u>17,857,507</u>
<u>LIABILITIES AND FUND EQUITY</u>					
Liabilities:					
Warrants Outstanding	\$4,454,430	473,739			4,928,169
Reserve for Encumbrances	5,796,732	3,203,220		108,416	9,108,368
Total Liabilities	10,251,162	3,676,959	0	108,416	14,036,537
Fund Balance:					
Unreserved					
Designated for Capital Projects	2,778,548	531,906	0	510,516	3,820,970
Total Fund Equity	2,778,548	531,906	0	510,516	3,820,970
Total Liabilities and Fund Equity	<u>\$13,029,710</u>	<u>4,208,865</u>	<u>0</u>	<u>618,932</u>	<u>17,857,507</u>

The notes to the financial statements are an integral part of this statement.

YUKON SCHOOL DISTRICT NO. 27
 CANADIAN COUNTY, OKLAHOMA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - REGULATORY BASIS
 CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 2022

	BUILDING BOND FUND #31	BUILDING BOND FUND #37	BUILDING BOND FUND #38	BUILDING BOND FUND #39	TOTALS (Memorandum Only)
Revenues:					
Local Sources	\$0			84,766	84,766
Total Revenues Collected	<u>0</u>	<u>0</u>	<u>0</u>	<u>84,766</u>	<u>84,766</u>
Expenditures:					
Instruction	5,782,183	1,748,015			7,530,198
Support Services	2,156,642	886,279	101,937	564,222	3,709,080
Facilities Acquisition and Construction Services	<u>3,092,627</u>	<u>2,785,164</u>			<u>5,877,791</u>
Total Expenditures	<u>11,031,452</u>	<u>5,419,458</u>	<u>101,937</u>	<u>564,222</u>	<u>17,117,069</u>
Excess of Revenues Over (Under) Expenditures	<u>(11,031,452)</u>	<u>(5,419,458)</u>	<u>(101,937)</u>	<u>(479,456)</u>	<u>(17,032,303)</u>
Other Financing Sources (Uses)					
Proceeds from Sale of Bonds	13,810,000				13,810,000
Return of Assets				190,000	190,000
Deobligation of Prior Year Funds					<u>0</u>
Total Other Financing Sources (Uses)	<u>13,810,000</u>	<u>0</u>	<u>0</u>	<u>190,000</u>	<u>14,000,000</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>2,778,548</u>	<u>(5,419,458)</u>	<u>(101,937)</u>	<u>(289,456)</u>	<u>(3,032,303)</u>
Fund Balance, Beginning of Year	<u>0</u>	<u>5,951,364</u>	<u>101,937</u>	<u>799,972</u>	<u>6,853,273</u>
Fund Balance, End of Year	<u>\$2,778,548</u>	<u>531,906</u>	<u>0</u>	<u>510,516</u>	<u>3,820,970</u>

The notes to the financial statements are an integral part of this statement.

YUKON SCHOOL DISTRICT NO. 27
 CANADIAN COUNTY, OKLAHOMA
 COMBINING STATEMENT OF ASSETS AND LIABILITIES - REGULATORY BASIS
 TRUST AND AGENCY FUNDS
 JUNE 30, 2022

	EXPENDABLE TRUST FUNDS			AGENCY FUNDS	TOTALS (Memorandum Only)
	VISION INSURANCE PLAN	UNEMPLOYMENT COMPENSATION INSURANCE	MEDICAL INSURANCE	ACTIVITY FUND	
<u>ASSETS</u>					
Cash and Cash Equivalents	\$336,119	29,600	262,718	1,921,384	2,549,821
Total Assets	<u>\$336,119</u>	<u>29,600</u>	<u>262,718</u>	<u>1,921,384</u>	<u>2,549,821</u>
<u>LIABILITIES AND FUND EQUITY</u>					
Liabilities:					
Warrants Outstanding	\$18,276	110		42,460	60,846
Reserved for Encumbrances					0
Total Liabilities	<u>18,276</u>	<u>110</u>	<u>0</u>	<u>42,460</u>	<u>60,846</u>
Fund Balance:					
Unreserved	<u>317,843</u>	<u>29,490</u>	<u>262,718</u>	<u>1,878,924</u>	<u>2,488,975</u>
Total Fund Equity	<u>317,843</u>	<u>29,490</u>	<u>262,718</u>	<u>1,878,924</u>	<u>2,488,975</u>
Total Liabilities and Fund Equity	<u>\$336,119</u>	<u>29,600</u>	<u>262,718</u>	<u>1,921,384</u>	<u>2,549,821</u>

The notes to the financial statements are an integral part of this statement.

YUKON SCHOOL DISTRICT NO. 27
CANADIAN COUNTY, OKLAHOMA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - REGULATORY BASIS
TRUST AND AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	EXPENDABLE TRUST FUNDS			AGENCY FUNDS	TOTALS (Memorandum Only)
	VISION INSURANCE PLAN	UNEMPLOYMENT COMPENSATION INSURANCE	MEDICAL INSURANCE	ACTIVITY FUND	
Revenues:					
Local Sources	\$147,369			2,227,744	2,375,113
Total Revenues Collected	147,369	0	0	2,227,744	2,375,113
Expenditures:					
Operation of Non Instructional Services				2,093,182	2,093,182
Other Uses	157,179	1,626	14,872		173,677
Total Expenditures	157,179	1,626	14,872	2,093,182	2,266,859
Other Financing Sources (Uses):					
Return of Assets				18,132	18,132
Estopped Warrants				1,099	1,099
Total Other Financing Sources (Uses)	0	0	0	19,231	19,231
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(9,810)	(1,626)	(14,872)	153,793	127,485
Fund Balance, Beginning of Year	327,653	31,116	277,590	1,725,131	2,361,490
Fund Balance, End of Year	\$317,843	29,490	262,718	1,878,924	2,488,975

The notes to the financial statements are an integral part of this statement.

**YUKON SCHOOL DISTRICT NO. 27
CANADIAN COUNTY, OKLAHOMA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
REGULATORY BASIS - ACTIVITY FUND - ATHLETICS
JULY 1, 2021 TO JUNE 30, 2022**

	Source 6110 Beginning Balance 7/1/2021	Source 6140 Estopped Checks	Source 5120-5190 Non-Revenue Receipts	Source 1XXX- 4XXX + 5111- New Revenue	Checks & Encumbrances	Ending Fund Balance 6/30/2022
General Refund Facility Rent - 811	\$0.00	0.00	0.00	16,420.00	16,420.00	0.00
Gates & Receipts - 819001	159,081.44	0.00	8,000.00	10,454.35	14,090.24	163,445.55
Football - 819801	0.00	0.00	0.00	48,504.08	48,504.08	0.00
Basketball - 819802	0.00	0.00	0.00	17,943.02	17,943.02	0.00
Cheer - 819803	0.00	0.00	0.00	2,416.12	2,416.12	0.00
Athletic Director - 819804	0.00	0.00	0.00	86,742.34	86,742.34	0.00
Baseball - 819805	0.00	0.00	0.00	15,699.01	15,699.01	0.00
Softball - 819806	0.00	225.00	0.00	9,496.00	9,721.00	0.00
Wrestling - 819807	0.00	85.00	0.00	10,581.85	10,666.85	0.00
Tennis - 819808	0.00	0.00	0.00	9,748.67	9,748.67	0.00
Pom Pon - 819809	0.00	0.00	0.00	7,361.40	7,361.40	0.00
Track - 819811	0.00	0.00	0.00	15,890.21	15,890.21	0.00
Volleyball - 819812	0.00	0.00	0.00	9,771.85	9,771.85	0.00
Golf - 819813	0.00	240.00	0.00	8,470.06	8,710.06	0.00
Cross Country - 819814	0.00	150.00	0.00	4,188.76	4,338.76	0.00
Soccer - 819815	0.00	0.00	0.00	9,453.83	9,453.83	0.00
OSSAA State Comp - 819816	0.00	0.00	0.00	0.00	0.00	0.00
OSSAA Playoffs - 819818	0.00	0.00	0.00	10,143.00	10,143.00	0.00
Pass Thru/Boys Basketball - 8198	4,109.63	0.00	0.00	0.00	1,271.40	2,838.23
Swimming - 819820	0.00	0.00	0.00	5,108.92	5,108.92	0.00
Pass Thru/ Girls Golf - 819821	2,440.35	0.00	0.00	0.00	0.00	2,440.35
Pass Thru/ Tennis - 819822	173.83	0.00	0.00	0.00	0.00	173.83
Pass Thru/ Trainers - 819823	8,263.15	0.00	0.00	12,376.00	2,085.46	18,553.69
Pass Thru/ Boys Track - 819824	10.11	0.00	0.00	0.00	0.00	10.11
Pass Thru/ Football - 819825	9,849.98	0.00	0.00	15,790.80	3,218.03	22,422.75
Pass Thru/ Softball - 819826	3,636.39	0.00	0.00	7,011.29	1,331.02	9,316.66
Pass Thru/ Wrestling - 819827	2,070.78	0.00	0.00	0.00	1,925.40	145.38
Pass Thru/ Girls Track - 819828	16.81	0.00	0.00	0.00	0.00	16.81
Pass Thru/ Girls BB - 819829	229.09	0.00	0.00	0.00	0.00	229.09
Pass Thru/ Baseball - 819831	2,192.02	0.00	0.00	4,997.81	4,107.20	3,082.63
Pass Thru/ Soccer - 819832	1,969.55	0.00	0.00	1,250.00	1,650.00	1,569.55
Pass Thru/Volleyball - 819834	50.00	0.00	0.00	0.00	0.00	50.00
Pass Thru/ Boys Golf - 819835	0.00	0.00	0.00	0.00	0.00	0.00
Pass Thru/ Boys CC - 819836	5.69	0.00	0.00	0.00	0.00	5.69
Pass Thru/ Girls CC - 819837	28.34	0.00	0.00	0.00	0.00	28.34
Pass Thru/AD - 819840	19,946.50	0.00	0.00	5,801.45	10,591.01	15,156.94
TOTAL	\$ 214,073.66	700.00	8,000.00	345,620.82	328,908.88	239,485.60

**YUKON SCHOOL DISTRICT NO. 27
CANADIAN COUNTY, OKLAHOMA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
REGULATORY BASIS - ACTIVITY FUND - COMMUNITY ENGAGEMENT
JULY 1, 2021 TO JUNE 30, 2022**

	Source 6110 Beginning Balance 7/1/2021	Source 6140 Estopped Checks	Source 5120-5190 Non-Revenue Receipts	Source 1XXX- 4XXX + 5111- New Revenue	Checks & Encumbrances	Ending Fund Balance 6/30/2022
General Refund - Community Ed	\$0.00	0.00	0.00	50,940.00	50,940.00	0.00
Open Door	0.00	25.00	0.00	626,339.25	626,364.25	0.00
Foundation for Excellence	4,836.93	0.00	0.00	30,896.05	29,439.84	6,293.14
Scholarship & Activities	208,843.87	0.00	0.00	69,112.68	61,719.74	216,236.81
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL	<u>\$ 213,680.80</u>	<u>25.00</u>	<u>0.00</u>	<u>777,287.98</u>	<u>768,463.83</u>	<u>222,529.95</u>

**YUKON SCHOOL DISTRICT NO. 27
CANADIAN COUNTY, OKLAHOMA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
REGULATORY BASIS - ACTIVITY FUND - ADMINISTRATION
JULY 1, 2021 TO JUNE 30, 2022**

	Source 6110 Beginning Balance 7/1/2021	Source 6140 Estopped Checks	Source 5120-5190 Non-Revenue Receipts	Source 1XXX- 4XXX + 5111- New Revenue	Checks & Encumbrances	Ending Fund Balance 6/30/2022
Child Nutrition	\$0.00	0.00	0.00	18,261.36	18,261.36	0.00
General Refund Summer Tuition	0.00	0.00	0.00	0.00	0.00	0.00
General Refund - Rent	0.00	0.00	0.00	7,800.00	7,800.00	0.00
Central Elementary	14,152.12	0.00	200.00	12,345.53	11,196.08	15,501.57
Myers Elementary	39,622.64	0.00	0.00	20,988.58	20,919.07	39,692.15
Parkland Elementary	81,448.24	0.00	200.00	14,940.44	29,056.31	67,532.37
Ranchwood Elementary	58,593.19	0.00	40.00	25,187.11	29,178.02	54,642.28
Shedeck Elementary	16,452.83	0.00	100.00	20,512.63	17,220.30	19,845.16
Skyview Elementary	36,792.10	0.00	0.00	35,884.53	26,410.63	46,266.00
Surrey Hills Elementary	21,012.25	0.00	400.00	27,946.67	21,194.54	28,164.38
Independence Elementary School	27,772.25	0.00	434.00	32,426.09	25,353.53	35,278.81
Lakeview Elementary School	57,923.71	0.00	454.00	60,150.84	44,334.84	74,193.71
Redstone Intermediate School	34,733.80	0.00	600.00	47,385.36	29,678.29	53,040.87
Helping Hands	4,713.08	0.00	0.00	1,730.00	3,066.46	3,376.62
Santa's Friends	13,448.96	0.00	0.00	12,447.00	10,438.65	15,457.31
Administration	224,181.26	121.10	0.00	46,628.13	29,097.39	241,833.10
OK 529 College Savings Plan - 986	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	\$ 630,846.43	121.10	2,428.00	384,634.27	323,205.47	694,824.33

YUKON SCHOOL DISTRICT NO. 27
CANADIAN COUNTY, OKLAHOMA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
REGULATORY BASIS - ACTIVITY FUND - HIGH SCHOOL
JULY 1, 2021 TO JUNE 30, 2022

	Source 6110 Beginning Balance <u>7/1/2021</u>	Source 6140 Checks	Source 5120-5190 Receipts	Source 1XXX- 4XXX + 5111- Revenue	Encumbrances	Ending Fund <u>6/30/2022</u>
General Refund - Books/Parking	\$	0.00	0.00	7,796.45	7,796.45	0.00
Art	3,724.82	0.00	0.00	7,963.99	6,078.66	5,610.15
ACT Workshop	376.03	0.00	0.00	0.00	0.00	376.03
Band	34,014.34	0.00	0.00	2,914.65	13,523.79	23,405.20
Cheerleaders	8,287.65	0.00	0.00	20,548.00	23,679.14	5,156.51
DECA	33,454.74	0.00	0.00	41,444.90	42,635.25	32,264.39
Speech & Debate	9,176.86	0.00	0.00	0.00	428.93	8,747.93
Drama	7,228.22	0.00	0.00	3,517.00	2,959.63	7,785.59
Transition Center	2,520.58	0.00	0.00	4,426.82	3,620.80	3,326.60
History Club	648.57	0.00	0.00	0.00	0.00	648.57
FFA	8,854.23	0.00	0.00	44,566.10	43,814.56	9,605.77
FCCLA	10,016.41	0.00	0.00	9,842.36	14,561.24	5,297.53
Academic Services	34,812.71	84.96	0.00	28,821.62	34,333.68	29,385.61
Horticulture	1,893.07	0.00	0.00	5,322.25	2,456.74	4,758.58
YHS Library	2,631.57	0.00	0.00	1,841.89	1,058.86	3,414.60
YHS Carpentry	9,104.78	0.00	0.00	3,895.00	495.20	12,504.58
Yukon Academic Team	757.62	0.00	0.00	1,543.69	1,346.74	954.57
Junior Class	37,691.99	0.00	0.00	44,100.00	20,241.63	61,550.36
LAICEPS	9,324.13	0.00	332.93	17,386.72	22,993.86	4,049.92
National Honor Society	5,010.73	0.00	0.00	5,205.00	5,138.32	5,077.41
YHS School Spirit	700.00	0.00	0.00	609.92	1,245.76	64.16
Pom Pon	1,586.04	100.00	0.00	23,032.03	22,379.78	2,338.29
Psychology Club	50.00	0.00	0.00	755.50	755.50	50.00
Science	6,151.15	0.00	0.00	10,356.55	8,973.59	7,534.11
Senior Class	5,494.10	0.00	0.00	5,990.00	5,912.97	5,571.13
Spanish	1,866.22	0.00	0.00	694.00	1,551.91	1,008.31
Student Assistance	31.00	0.00	0.00	0.00	0.00	31.00

YUKON SCHOOL DISTRICT NO. 27
CANADIAN COUNTY, OKLAHOMA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
REGULATORY BASIS - ACTIVITY FUND - HIGH SCHOOL
JULY 1, 2021 TO JUNE 30, 2022

	Source 6110 Beginning Balance 7/1/2021	Source 6140 Checks	Source 5120-5190 Receipts	Source 1XXX- 4XXX + 5111- Revenue	Encumbrances	Ending Fund 6/30/2022
General Refund - Books/Parking	\$	0.00	0.00	7,796.45	7,796.45	0.00
Art	3,724.82	0.00	0.00	7,963.99	6,078.66	5,610.15
ACT Workshop	376.03	0.00	0.00	0.00	0.00	376.03
Band	34,014.34	0.00	0.00	2,914.65	13,523.79	23,405.20
Cheerleaders	8,287.65	0.00	0.00	20,548.00	23,679.14	5,156.51
DECA	33,454.74	0.00	0.00	41,444.90	42,635.25	32,264.39
Speech & Debate	9,176.86	0.00	0.00	0.00	428.93	8,747.93
Drama	7,228.22	0.00	0.00	3,517.00	2,959.63	7,785.59
Transition Center	2,520.58	0.00	0.00	4,426.82	3,620.80	3,326.60
History Club	648.57	0.00	0.00	0.00	0.00	648.57
FFA	8,854.23	0.00	0.00	44,566.10	43,814.56	9,605.77
FCCLA	10,016.41	0.00	0.00	9,842.36	14,561.24	5,297.53
Academic Services	34,812.71	84.96	0.00	28,821.62	34,333.68	29,385.61
Horticulture	1,893.07	0.00	0.00	5,322.25	2,456.74	4,758.58
YHS Library	2,631.57	0.00	0.00	1,841.89	1,058.86	3,414.60
YHS Carpentry	9,104.78	0.00	0.00	3,895.00	495.20	12,504.58
Yukon Academic Team	757.62	0.00	0.00	1,543.69	1,346.74	954.57
Junior Class	37,691.99	0.00	0.00	44,100.00	20,241.63	61,550.36
LAICEPS	9,324.13	0.00	332.93	17,386.72	22,993.86	4,049.92
National Honor Society	5,010.73	0.00	0.00	5,205.00	5,138.32	5,077.41
YHS School Spirit	700.00	0.00	0.00	609.92	1,245.76	64.16
Pom Pon	1,586.04	100.00	0.00	23,032.03	22,379.78	2,338.29
Psychology Club	50.00	0.00	0.00	755.50	755.50	50.00
Science	6,151.15	0.00	0.00	10,356.55	8,973.59	7,534.11
Senior Class	5,494.10	0.00	0.00	5,990.00	5,912.97	5,571.13
Spanish	1,866.22	0.00	0.00	694.00	1,551.91	1,008.31
Student Assistance	31.00	0.00	0.00	0.00	0.00	31.00
Student Council	36,224.31	0.00	0.00	32,837.51	38,180.76	30,881.06
FCCLA/FACS	11,661.55	0.00	0.00	4,279.51	3,052.47	12,888.59
Vocal	31,499.23	0.00	0.00	84,217.71	91,043.23	24,673.71
Leadership	131.96	0.00	0.00	0.00	0.00	131.96
MILL Week	3,009.13	0.00	0.00	39,725.08	37,584.03	5,150.18
Yearbook/Journalism	14,299.64	0.00	0.00	28,841.07	17,595.16	25,545.55
Woodworking	3,841.87	0.00	0.00	2,804.00	1,208.30	5,437.57
Equestrian Club	87.90	0.00	0.00	0.00	0.00	87.90
Partners Club	1,787.33	0.00	54.23	5,026.50	4,823.21	2,044.85
Yukon Reading Council	2,160.97	0.00	0.00	0.00	0.00	2,160.97
BPA	1,751.46	0.00	0.00	3,479.50	2,224.10	3,006.86
High School	117,545.80	0.00	7,316.86	36,864.24	32,027.06	129,699.84
Encouragement	3,922.51	0.00	0.00	740.00	773.46	3,889.05
Scholarship - ACME Fence	0.00	0.00	0.00	0.00	0.00	0.00
Scholarship - Ath Meml Fund	7,713.01	0.00	0.00	3.49	500.00	7,216.50
Scholarship - Gamsjager	10,200.91	0.00	0.00	6.28	500.00	9,707.19
Scholarship - Gene Cranfill	10,093.49	0.00	0.00	3.99	0.00	10,097.48
Janiking Scholarship	0.00	0.00	0.00	0.00	0.00	0.00
Landon Burger Meml Scholarship	2,500.00	0.00	0.00	0.00	0.00	2,500.00
Mathena Energy Scholarship	2,631.05	0.00	0.00	16,500.00	4,000.00	15,131.05
Scholarship - Stejskal	22,619.42	0.00	0.00	14.66	300.00	22,334.08
YHS AMSF ckg - YNB	0.00	0.00	0.00	0.00	0.00	0.00
Scholarship - Mazzio's	0.00	0.00	0.00	0.00	0.00	0.00
Scholarship - Silva	1,500.00	0.00	0.00	0.00	500.00	1,000.00
Scholarship - Creach	0.00	0.00	0.00	15,840.00	1,000.00	14,840.00
TOTAL	\$ 520,589.10	184.96	7,704.02	563,757.98	523,294.77	568,941.29

**YUKON SCHOOL DISTRICT NO. 27
CANADIAN COUNTY, OKLAHOMA
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2022**

	Project Code	Federal CFDA Number	Program or Award Amount	Cash/ Beginning Balance at July 1, 2021	Federal Receipts	Expenditures Federal Expenditures	Cash/ Ending Balance at June 30, 2022
Direct Funding							
Title VI Indian Education	561	84 060	\$190,442 00		171,686 31	190,442 00	(18,755 69)
Title VI Indian Education - Pnor Yr	799	84 060			0 00		0 00
Title VI			190,442 00	0 00	171,686 31	190,442 00	(18,755 69)
U.S. Department of Education							
Passed through the Department of Education							
Title I-A Basic Program	511	84 010	1,054,031.96		626,774.99	943,845.60	(317,070.61)
Title I-A Basic Program - Prior Year	799	84 010		(176,091.46)	176,091.46		0 00
Title I			1,054,031.96	(176,091.46)	802,866.45	943,845.60	(317,070.61)
Title II, Part A	541	84 367	310,737.64		139,551.37	218,459.01	(78,907.64)
Title II, Part A - Prior Year	799	84 367		(35,928.11)	35,928.11		0 00
Title II			310,737.64	(35,928.11)	175,479.48	218,459.01	(78,907.64)
Title IV-A Student Supp/Academic Enrichment	552	84 424A	85,504.82		37,290.33	62,519.61	(25,229.28)
Title IV-A Student Supp/Academic Enrich - Pnor Yr	799	84 424A		(7,586.73)	7,586.73		0 00
Title IV-F OK School Climate Transformation Proj	712	84 184F			1,493.94	1,493.94	0 00
Title IV-F OK School Climate Transf Proj - Pnor Yr	799	84 184F		(172.20)	172.20		0 00
Title IV			85,504.82	(7,758.93)	46,543.20	64,013.55	(25,229.28)
CARES Act	788	84 425	283.73		283.73	283.73	0 00
CARES Act - Prior Yr	799	84 425			0 00		0 00
GEER - CARES State Level Funds	721	84.425C	111,168.57		111,168.57	111,168.57	0 00
ESSERF	789	84 425D	120.00		120.00	120.00	0 00
ESSERF - Pnor Year	799	84 425D			0 00		0 00
ESSER II / CARES Act	793	84 425D	761.04		761.04	761.04	0 00
ESSER II / Set-Aside Funds	794	84 425D	1,237,115.41		1,237,115.41	1,237,115.41	0 00
ESSER II / Set-Aside Funds - Pnor Year	799	84 425D		(235,351.98)	235,351.98		0 00
American Rescue Plan ESSER	795	84 425U	4,973,109.46		1,247,292.89	1,564,021.14	(316,728.25)
CARES Act			6,322,558.21	(235,351.98)	2,832,093.62	2,913,469.89	(316,728.25)
Title III, English Language Acq	572	84 365	39,950.99		20,388.44	20,388.44	0 00
Title III, English Language Acq - Prior Year	799	84 365		(12,192.40)	12,192.40		(0 00)
Title III			39,950.99	(12,192.40)	32,580.84	20,388.44	(0 00)
IDEA-B Discretionary	613	84 027			2,685.00	2,685.00	0 00
Project ECCO	615	84 027	22,032.16		0 00	22,032.16	(22,032.16)
Project ECCO - Pnor Year	799	84 027		(2,340.93)	2,340.93		(0 00)
Certification Exam - SPED	616	84 027			0 00	147.32	(147.32)
IDEA-B Flow Through 108-446 - Part B - Curr Yr	621	84 027	1,650,903.75		1,208,196.37	1,561,331.40	(353,135.03)
IDEA-B Flow Through - Pnor Year	799	84 027		(504,791.02)	504,791.02		0 00
IDEA-B Flow Through - Private	625	84 027	39,849.15		17,062.65	37,126.02	(20,063.37)
IDEA-B Flow Through - Private - Pnor Year	799	84 027		(14,699.57)	14,699.57		0 00
American Rescue Plan IDEA-B Flow Through	628	84 027X			239,896.82	249,761.27	(9,864.45)
American Rescue Plan IDEA-B Flow Through Private	629	84 027X			0 00	3,611.05	(3,611.05)
American Rescue Plan IDEA-B Flow Preschool	643	84 027X			15,862.48	21,811.03	(5,948.55)
American Rescue Plan IDEA-B Flow Preschool Private	644	84 027X			0 00	367.86	(367.86)
QJT Rehabilitative Services	456	84 126	116.00		0 00	116.00	(116.00)
IDEA-B Pre-School	641	84 173	29,461.29		21,168.61	27,283.74	(6,115.13)
IDEA-B Pre-School - Prior Year	799	84 173		(7,609.90)	7,609.90		(0 00)
Special Ed Cluster			1,742,362.35	(529,441.42)	2,034,313.35	1,926,272.85	(421,400.92)
Passed through Oklahoma State Department of Career Technical Training							
Carl Perkins	421	84 048	76,023.00		70,341.31	75,986.11	(5,644.80)
Carl Perkins - Pnor Year	799	84 048		(5,448.81)	5,448.81		0 00
Carl Perkins - Tech Now	424	84 048	33,832.00		23,989.00	23,989.00	0 00
Federal Vocational -Career Tech			109,855.00	(5,448.81)	99,779.12	99,975.11	(5,644.80)
Department of Homeland Security							
FEMA Disaster Assistance Grant	594	97 036	18,750.00		18,750.00	18,750.00	0 00
U.S. Department of Agriculture							
Passed Through the State Department of Education							
Commodity Credit Corporation (CCC)	759	10 555	183,339.14		183,339.14	183,339.14	0 00
P-EBT Program	760	10 649	3,063.00		3,063.00	3,063.00	0 00
Emergency Operational Costs Reimbursement	761	10 558	73,795.03		73,795.03	73,795.03	0 00
Food Service Programs - Lunches	763	10 555	3,974,698.45		3,974,698.45	1,652,904.81	2,321,793.64
Food Service Programs - Breakfasts	764	10 553	902,174.91		902,174.91	902,174.91	0 00
Food Service Programs - Summer Food	766	10 559	1,367,949.67	1,209,326.84	158,622.83	1,367,949.67	0 00
USDA Donated Food		10 550	311,390.67		311,390.67	311,390.67	0 00
Child Nutrition Cluster			6,816,410.87	1,209,326.84	5,607,084.03	4,494,617.23	2,321,793.64
Total Federal Assistance			\$16,690,603.84	207,113.73	11,821,176.40	10,890,233.68	1,138,056.45

Note A Basis of Presentation - The Schedule of Expenditures of Federal Awards includes the federal grant activity of the Yukon Public Schools District and is presented on another comprehensive basis of accounting conforming with the accounting practices prescribed or permitted by the Oklahoma State Department of Education which is a comprehensive basis of accounting other than generally accepted accounting principles. Under this method, expenditures are recognized when an

Note B Commodities representing non-cash expenditures have been included in the Schedule of Federal Awards which is an exception to the prescribed basis of

Note C Federal expenditures reported above were chargeable to the respective Federal programs. However, in some instances, they may not be identical to amounts recorded under the specific OCAS project codes in the District's accounting records. Common reasons for those variances include: (1) timing differences, (2) differences in basis of accounting utilized, (3) mis-coding to other project codes, (4) refunds or reimbursements that offset expenditure data, (5) matching (or other local) expenditures that supplement or exceed Federal awarded amounts, and (6) approved indirect costs which are recorded under separate project codes.

Note D The District did not receive any Federal awards that were passed through to subrecipients

Note E The District did not elect to use the 10% de minimis indirect cost rate allowed by the Uniform Guidance

The notes to the financial statements are an integral part of this statement.

**YUKON SCHOOL DISTRICT NO. 27
CANADIAN COUNTY, OKLAHOMA
SCHEDULE OF STATUTORY, FIDELITY, AND HONESTY BONDS
FOR THE YEAR ENDED JUNE 30, 2022**

James Fenrick – Treasurer
Employee Dishonesty Bond
Liberty Mutual Company - Policy No. POB-601004405
\$100,000 Limit
Effective July 1, 2021 to July 1, 2022

William Jason Simeroth – Superintendent
Employee Dishonesty Bond
Liberty Mutual Company - Policy No. POB-601075818
\$100,000 Limit
Effective July 1, 2021 to June 30, 2022

Brenda Smith – Assistant Treasurer
Employee Dishonesty Bond
Liberty Mutual Company - Policy No. POB-601004387
\$100,000.00 Limit
Effective: July 1, 2021 to July 1, 2022

Employee Theft Coverage
(Including but not limited to Encumbrance Clerk, Minutes Clerk, Activity Fund Custodians)
OSIG – Policy No. 2014
\$10,000 Limit
Effective July 1, 2021 to June 30, 2022

INTERNAL CONTROL AND COMPLIANCE REPORTS

PUTNAM & COMPANY, PLLC

CERTIFIED PUBLIC ACCOUNTANTS

169 S.E. 32ND

EDMOND, OKLAHOMA 73013

(405) 348-3800

fax (405) 348-3846

INDEPENDENT AUDITOR'S 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
Yukon Public School District I#27
Canadian County, Oklahoma

We have audited, 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, the accompanying fund type and account group financial statements-regulatory basis of the Yukon Public School District I#27, Canadian County, Oklahoma, (the District) as listed in the Table of Contents, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's financial statements, and have issued our report thereon dated March 29, 2022, 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 for general fixed asset account groups with respect to the presentation of financial statements on the regulatory basis of accounting authorized by the Oklahoma State Board of Education.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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 District's financial statements will not be prevented, or detected and corrected on a timely basis. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 financial statements. 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*.

Response to Findings

The District's response to the findings identified in our audit is described in the accompanying school's corrective action plan. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Putnam & Company

Putnam & Company, PLLC

PUTNAM & COMPANY, PLLC

CERTIFIED PUBLIC ACCOUNTANTS
169 S.E. 32ND
EDMOND, OKLAHOMA 73013
(405) 348-3800
fax (405) 348-3846

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY *THE UNIFORM GUIDANCE*

The Honorable Board of Education
Yukon Public School District I#27
Canadian County, Oklahoma

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Yukon Public School District I#27, Canadian County, Oklahoma, (the District) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2022. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of 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, 2022.

Basis for Opinion on Each Major Federal Program

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 the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Our responsibilities under those standards and the Uniform Guidance are further described in the "Auditor's Responsibilities for the Audit of Compliance" section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditor's Responsibilities for Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the *Uniform Guidance* will always detect material noncompliance when it exists.

The risk of not detecting material non-compliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user on the report of compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, and the *Uniform Guidance*, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness on the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the “Auditor’s Responsibilities for the Audit of Compliance” section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify and deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed. The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Putnam & Company

Putnam & Company, PLLC
November 17, 2022

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**YUKON SCHOOL DISTRICT NO. 27
CANADIAN COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022**

Section I – Summary of Auditors’ Results

Type of auditors’ report issued: Qualified due to regulatory basis presentation, and Adverse with regards to GAAP conformity.

Internal control over financial reporting:

- * Material weakness(es) identified? Yes No
- * Significant Deficiency(ies) identified not considered to be material weakness(es)? Yes None Reported

Noncompliance material to financial statement noted? Yes No

Federal Awards

Internal control over major programs:

- * Material weakness(es) identified? Yes No N/A
- * Significant Deficiency(ies) identified not considered to be material weakness(es)? Yes None Reported

Type of auditors’ report issued on compliance for Major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance Yes No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
84.010	Title I
84.027	IDEA Flowthrough
84.027	IDEA Flowthrough - Private
84.027	Project ECCO
84.173	IDEA Preschool
84.173	Preschool 3-5 (Section 619)
10.555, 10.553, 10.559	Food Service
84.425	ESSERII, ESSERII Cares, ESSER, Cares

Dollar threshold used to distinguish between type A and type B programs \$750,000

Auditee qualified as low-risk auditee? Yes No

**YUKON SCHOOL DISTRICT NO. 27
CANADIAN COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022**

Section II – Findings Relating to the Financial Statements

None

Section III – Findings and Questioned Costs for Federal Awards

N/A

Section IV – Status of Prior Year Audit Findings

None related to the financial statements or questioned costs for federal awards.

Section V – Management’s Corrective Action Plan

N/A

ACCOUNTANT'S PROFESSIONAL LIABILITY INSURANCE AFFIDAVIT

MANAGEMENT LETTER AND COMMENTS

PUTNAM & COMPANY, PLLC

CERTIFIED PUBLIC ACCOUNTANTS
169 S.E. 32ND
EDMOND, OKLAHOMA 73013
(405) 348-3800
fax (405) 348-3846

November 17, 2022

The Honorable Board of Education
Yukon School District No. 27
Canadian County, Oklahoma

We have audited financial statements of Yukon School District No. 27, Canadian County, Oklahoma, as of and for the year ended June 30, 2022, as listed in the table of contents, and have issued our report thereon dated November 17, 2022. As a part of our audit, we made a study and evaluation of the District's system of internal accounting control to the extent we considered necessary solely to determine the nature, timing and extent of our auditing procedures. Our study and evaluation was more limited than would be necessary to express an opinion on the system of internal accounting control taken as a whole, and we do not express such an opinion.

However, during our audit we became aware of some matters that, while not involving material weaknesses in internal accounting control, are opportunities for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes our comments and suggestions regarding those matters. This letter does not affect our report dated, November 17, 2022 on the financial statements of Yukon School District No. 27.

We will review the status of these comments during our next audit engagement. We would be pleased to discuss these comments in further detail at your convenience, to perform any additional study of these matters or to assist you in implementing the recommendations.

We also wish to express our appreciation of the courteous attention and cooperation which we received from staff members during our engagement.

Sincerely,

Jerry W. Putnam

Jerry W. Putnam

**YUKON SCHOOL DISTRICT NO. 27
CANADIAN COUNTY, OKLAHOMA
MANAGEMENT LETTER COMMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

PRIOR YEAR'S COMMENTS AND RECOMMENDATIONS

The prior year's comments have been addressed and resolved.

CURRENT YEAR'S COMMENTS AND RECOMMENDATIONS

We reviewed expenditures from the District's General Fund, Building Fund, Child Nutrition Fund, Insurance Vision Plan Fund, and Bond Funds, and we found the supporting documentation to be excellent in every instance. However, we noted the following findings:

<u>Findings</u>	<u>No. of Instances</u>
Incomplete Documentation	2

REVIEW OF ACTIVITY FUND TRANSACTIONS

During our review of the Activity Fund transactions we noted that the transactions were well documented. However, we noted the following findings summarized by Site.

	<u>Findings</u>	<u>No. of Instances</u>
<u>Elementary -</u>	Paid Sales Tax	1

DISTRICT'S RESPONSE TO AUDIT COMMENTS/CORRECTIVE ACTION PLAN

The District is generally in agreement with the finding and recommendations above and will review current procedures in order to implement necessary changes.