

**ANNUAL FINANCIAL REPORT**  
**INDEPENDENT SCHOOL DISTRICT NO. 16**  
**STILLWATER PUBLIC SCHOOL DISTRICT**  
**PAYNE COUNTY, OKLAHOMA**  
**JULY 1, 2010 TO JUNE 30, 2011**

STILLWATER PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 16  
PAYNE, COUNTY  
JUNE 30, 2011

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STILLWATER PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 16  
PAYNE COUNTY, OKLAHOMA  
JULY 1, 2010 TO JUNE 30, 2011

SCHOOL DISTRICT BOARD MEMBERS

John Price  
Dr. Michael Dicks  
Kevin Clark  
Eric Gudgel  
Debbie Vincent

SUPERINTENDENT OF SCHOOL DISTRICT

Dr. Anne Caine

CLERK OF THE BOARD

Annette Jones

SCHOOL DISTRICT TREASURER

Phillip Storm

**PUTNAM & COMPANY, PLLC**  
CERTIFIED PUBLIC ACCOUNTANTS  
169 S.E. 32<sup>ND</sup>  
EDMOND, OKLAHOMA 73013  
(405) 348-3800  
Fax (405) 348-7965

**INDEPENDENT AUDITOR'S REPORT**

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

We have audited the accompanying fund type and account group financial statements of Stillwater School District No. 16, Payne County, Oklahoma, as listed in the table of contents as combined financial statements, as of and for the year ended June 30, 2011. These financial statements are the responsibility of the Stillwater School District, No. 16, Payne County, Oklahoma. 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 *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 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 generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and equity arising from regulatory basis transactions of each fund type and account group of Stillwater School District No. 16, Oklahoma, as of June 30, 2011, and the revenues collected, expenditures paid/expenses, and cash flows of each fund type, where applicable, for the year then ended on the regulatory basis of accounting described in Note I.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 16, 2011, on our consideration of the School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the fund type and account group financial statements within the combined financial statement. The combining fund statements and schedules and other schedules as listed in the table of contents under other supplementary information are presented for purposes of additional analysis. This other supplementary information has been subjected to the auditing procedures applied in the audit of the fund type and account group financial statements within the combined financial statements and, in our opinion, is fairly stated in all material respects in relation to the combined financial statements taken as a whole on the regulatory basis of accounting described in Note I.

This report is intended solely for the information and use of the Board of Education of Stillwater School District No. 16, Oklahoma State Department of Education, and certain federal regulatory agencies, and is not intended to be and should not be used by anyone other than these specified parties.

*Putnam & Company*  
Putnam & Company, PLLC

Edmond, Oklahoma  
November 16, 2011

**COMBINED FINANCIAL STATEMENTS**

**STILLWATER SCHOOL DISTRICT NO. 16  
PAYNE COUNTY, OKLAHOMA  
COMBINED STATEMENT OF ASSETS AND LIABILITIES  
(ALL FUND TYPES AND ACCOUNT GROUPS) - REGULATORY BASIS  
JUNE 30, 2011**

	Governmental Fund Types				Fiduciary Fund Types	Account Group	Totals
	General	Special Revenue	Debt Service	Capital Projects Fund	Trust and Agency	General Long-Term Debt	(Memorandum Only)
<b>ASSETS</b>							
Cash and Cash Equivalents	\$11,882,399	1,767,256	5,471,385	13,047,695	501,773		32,670,508
Amount available in Debt Service Fund						447,808	447,808
Amount to be provided for retirement of General Long-Term Debt						37,120,973	37,120,973
<b>Total Assets</b>	<b>\$11,882,399</b>	<b>1,767,256</b>	<b>5,471,385</b>	<b>13,047,695</b>	<b>501,773</b>	<b>37,568,781</b>	<b>70,239,289</b>
<b>LIABILITIES</b>							
Warrants Payable	\$2,786,773	287,597		338,601	16,759		3,429,730
General Obligation Bonds Payable			4,870,000			33,320,000	38,190,000
Interest Payable on Bonds			153,577			4,248,781	4,402,358
<b>Total Liabilities</b>	<b>2,786,773</b>	<b>287,597</b>	<b>5,023,577</b>	<b>338,601</b>	<b>16,759</b>	<b>37,568,781</b>	<b>46,022,088</b>
<b>FUND EQUITY</b>							
Fund Balances:							
Reserved for Encumbrances	3,469,054	284,298		223,062			3,976,414
Designated for Debt Service			447,808				447,808
Designated for Student Activities					485,014		485,014
Designated for Capital Projects				12,486,032			12,486,032
Fund Balance	5,626,572	1,195,361					6,821,933
<b>Total Fund Balance</b>	<b>9,095,626</b>	<b>1,479,659</b>	<b>447,808</b>	<b>12,709,094</b>	<b>485,014</b>	<b>0</b>	<b>24,217,201</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$11,882,399</b>	<b>1,767,256</b>	<b>5,471,385</b>	<b>13,047,695</b>	<b>501,773</b>	<b>37,568,781</b>	<b>70,239,289</b>

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

**STILLWATER SCHOOL DISTRICT NO. 16**  
**PAYNE 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, 2011**

	Governmental Fund Types				Fiduciary	Totals
	General	Special Revenue	Debt Service	Capital Projects	Trust and Agency	(Memorandum Only)
<b>REVENUES:</b>						
Local Sources	\$12,154,554	2,580,682	8,290,682	50,199	1,179,374	24,255,491
Intermediate Sources	1,420,863					1,420,863
State Sources	18,345,172	227,611	2,612			18,575,395
Federal Sources	5,738,981	1,228,388				6,967,369
<b>Total Revenues</b>	<b>37,659,570</b>	<b>4,036,681</b>	<b>8,293,294</b>	<b>50,199</b>	<b>1,179,374</b>	<b>51,219,118</b>
<b>EXPENDITURES:</b>						
Instruction	22,138,619	6,400		68,906		22,213,925
Support Services	13,296,661	2,210,506		1,835,824		17,342,991
Non-Instructional Services	7,331	2,219,697			1,047,253	3,274,281
Facilities Acquisition & Construction Services		33,212		269,278		302,490
Other Outlays	6,468	1,675				8,143
Repayments	66,674	911				67,585
<b>DEBT SERVICE</b>						
Bonds Paid			7,205,000			7,205,000
Coupons Paid			959,668			959,668
<b>Total Expenditures</b>	<b>35,515,753</b>	<b>4,472,401</b>	<b>8,164,668</b>	<b>2,174,008</b>	<b>1,047,253</b>	<b>51,374,083</b>
Revenues Over (Under) Expenditures	2,143,817	(435,720)	128,626	(2,123,809)	132,121	(154,965)
<b>OTHER FINANCING SOURCES (USES):</b>						
Proceeds from Sale of Bonds				12,337,830		12,337,830
Return of Assets	90,073	1,675				91,748
Estopped Warrants	2,047	995				3,042
Deobligation of Prior Year Funds	13,777	11,974		69,309		95,060
<b>Total Other Financing Sources (Uses)</b>	<b>105,897</b>	<b>14,644</b>	<b>0</b>	<b>12,407,139</b>	<b>0</b>	<b>12,527,680</b>
Revenue and Other Sources Over (Under) Expenditures and Other Uses	2,249,714	(421,076)	128,626	10,283,330	132,121	12,372,715
Fund Balance, Beginning of Year	3,376,858	1,616,437	319,182	2,202,702	352,893	7,868,072
<b>Fund Balance, End of Year</b>	<b>\$5,626,572</b>	<b>1,195,361</b>	<b>447,808</b>	<b>12,486,032</b>	<b>485,014</b>	<b>20,240,787</b>

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



**STILLWATER SCHOOL DISTRICT NO. 16  
PAYNE 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, 2011**

	General Fund			Special Revenue Funds			
	Original/ Final Budget	Actual	Variance Favorable (Unfavorable)	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>							
Local Sources	\$10,903,596	12,154,554	1,250,958	2,339,130	2,339,130	2,580,682	241,552
Intermediate Sources	1,285,850	1,420,863	135,013				0
State Sources	18,643,188	18,345,172	(298,016)	234,745	244,147	227,611	(16,536)
Federal Sources	4,663,148	5,738,981	1,075,833	1,020,518	1,086,684	1,228,388	141,704
<b>Total Revenues</b>	<b>35,495,782</b>	<b>37,659,570</b>	<b>2,163,788</b>	<b>3,594,393</b>	<b>3,669,961</b>	<b>4,036,681</b>	<b>366,720</b>
<b>EXPENDITURES :</b>							
Instruction	24,429,810	22,138,619	2,291,191	527,313	527,313	6,400	520,913
Support Services	14,392,056	13,296,661	1,095,395	2,380,437	2,380,437	2,210,506	169,931
Non-Instructional Services	3,548	7,331	(3,783)	2,267,158	2,342,726	2,219,697	123,029
Facilities Acquisition & Construction Services			0	33,300	33,300	33,212	88
Other Outlays	836	6,468	(5,632)	1,725	1,725	1,675	50
Repayments	46,390	66,674	(20,284)	897	897	911	(14)
<b>Total Expenditures</b>	<b>38,872,640</b>	<b>35,515,753</b>	<b>3,356,887</b>	<b>5,210,830</b>	<b>5,286,398</b>	<b>4,472,401</b>	<b>813,997</b>
Revenues Over (Under) Expenditures	(3,376,858)	2,143,817	5,520,675	(1,616,437)	(1,616,437)	(435,720)	1,180,717
<b>OTHER FINANCING SOURCES (USES):</b>							
Return of Assets		90,073	90,073			1,675	1,675
Estopped Warrants		2,047	2,047			995	995
Deobligation of Prior Year Funds		13,777	13,777			11,974	11,974
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>105,897</b>	<b>105,897</b>	<b>0</b>	<b>0</b>	<b>14,644</b>	<b>14,644</b>
Revenue and Other Sources Over (Under) Expenditures and Other Uses	(3,376,858)	2,249,714	5,626,572	(1,616,437)	(1,616,437)	(421,076)	1,195,361
Fund Balance, Beginning of Year	3,376,858	3,376,858	0	1,616,437	1,616,437	1,616,437	0
Fund Balance, End of Year	0	5,626,572	5,626,572	0	0	1,195,361	1,195,361

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

**NOTES TO FINANCIAL STATEMENTS**

**STILLWATER SCHOOL DISTRICT NO. 16  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The basic financial statements of the Stillwater Public Schools Independent District No. 16, Payne 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.

**STILLWATER SCHOOL DISTRICT NO. 16  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011**

**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.

**STILLWATER SCHOOL DISTRICT NO. 16  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011**

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.

**STILLWATER SCHOOL DISTRICT NO. 16  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011**

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.

**STILLWATER SCHOOL DISTRICT NO. 16  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011**

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

Inventories – The value of consumable inventories at June 30, 2011 is not material to the basic financial statements.

Capital Assets – The accounting treatment over capital assets (property, plant, and equipment) depends on whether the assets are used in governmental fund-type operations or proprietary fund-type operations. Fixed assets used in governmental fund-type operations (general fixed assets) are recorded for as capital outlay expenditures of the governmental fund-type upon acquisition and are recorded as property, plant, and equipment in the General Fixed Asset Account Group. Fixed assets used in proprietary fund-type operations are accounted for as property, plant, and equipment within the proprietary fund itself.

All fixed assets are valued at historical cost, or estimated cost if actual is unavailable, except for donated fixed assets, which are recorded at their estimated fair value at the date of donation.

Depreciation and accumulated depreciation are not reported against general fixed assets.

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.

**STILLWATER SCHOOL DISTRICT NO. 16  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011**

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, 2011, the District was not exposed to custodial credit 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.



**STILLWATER SCHOOL DISTRICT NO. 16  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011**

***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 a 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, 2011, the District had no concentration of credit risk as defined above.

**3. INTERFUND RECEIVABLES AND PAYABLES**

There were no Interfund receivables or payables at June 30, 2011.

**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.

**STILLWATER SCHOOL DISTRICT NO. 16  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011**

**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, 2011:

	Bonds Payable	Total
Balance, July 1, 2010	\$ 33,015,000	\$ 33,015,000
Additions	12,500,000	12,500,000
Retirements	7,325,000	7,325,000
Balance, June 30, 2011	<u>\$ 38,190,000</u>	<u>\$ 38,190,000</u>

A brief description of the outstanding general obligation bond issues at June 30, 2011 is set forth below:

	<u>Amount Outstanding</u>
Independent School District No. 16 Combined Purpose Bonds, Series 2011, original Issue \$750,000, interest rate of 1.25% to 2.70%, due in an annual installment of \$175,000, final payment of \$225,000 due June 1, 2016.	\$ 750,000
Independent School District No. 16 Building Bonds, Series 2011, original Issue \$11,750,000, interest rate of 2.00% to 3.125%, due in an annual installment of \$1,300,000, final payment of \$1,350,000 due June 1, 2021.	11,750,000
Independent School District No. 16 Building Bonds, Series 2010, original Issue \$6,000,000, interest rate of 1.625% to 2.00%, due in an annual installment of \$1,000,000, final payment of \$1,000,000 due March 1, 2015.	4,000,000
Independent School District No. 16 Building Bonds, Series 2009, original Issue \$6,000,000, interest rate of 1.60% to 1.75%, due in an annual installment of \$3,000,000, final payment of \$3,000,000 due May 1, 2012.	3,000,000
Independent School District No. 16 Building Bonds, Series 2008, original Issue \$6,000,000, interest rate of 3.00% to 3.50%, due in annual installments of \$1,500,000, final payment of \$1,500,000 due October 1, 2013.	4,500,000

**STILLWATER SCHOOL DISTRICT NO. 16  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011**

**4. GENERAL LONG-TERM DEBT - (continued)**

Independent School District No. 16 Building Bonds, Series 2008, original Issue \$11,000,000, interest rate of 3.50% to 4.00%, due in an annual installment of \$1,220,000, final payment of \$1,240,000 due May 1, 2018.	8,560,000
Independent School District No. 16 Building Bonds, Series 2007, original Issue \$500,000, interest rate of 3.25% to 4.00%, due in annual installments of \$125,000, final payment of \$125,000 due December 1, 2012.	250,000
Independent School District No. 16 Building Bonds, Series 2007, original Issue \$3,500,000, interest rate of 3.30% to 4.00%, due in an annual installment of \$385,000, final payment of \$420,000 due December 1, 2016.	2,730,000
Independent School District No. 16 Building Bonds, Series 2006, original Issue \$4,750,000, interest rate of 3.80% to 4.125%, due in annual installments of \$525,000, final payment of \$550,000 due June 1, 2016.	<u>2,650,000</u>
<b>TOTAL</b>	<b><u>\$38,190,000</u></b>

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

Year ending <u>June 30</u>	<u>Principle</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 7,755,000	\$ 1,136,841	\$ 8,891,841
2013	6,230,000	866,984	7,096,984
2014	6,105,000	690,428	6,795,428
2015	4,605,000	540,154	5,145,154
2016	3,680,000	415,500	4,095,500
2017	2,905,000	302,291	3,207,291
2018	2,960,000	206,597	3,166,597
2019	1,300,000	120,188	1,420,188
2020	1,300,000	81,187	1,381,187
2021	1,350,000	42,188	1,392,188
	<u>\$ 38,190,000</u>	<u>\$ 4,402,358</u>	<u>\$ 42,592,358</u>

Interest expense on general long-term debt incurred during the current year totaled \$959,668.

**STILLWATER SCHOOL DISTRICT NO. 16  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011**

**5. EMPLOYEE RETIREMENT SYSTEM**

The Retirement 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.

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.

Funding Policy

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, 2011.

Annual Pension Cost

The District's contribution to the System for the year ending June 30, 2011, was \$2,054,720. The District's total payroll for fiscal year 2010-11 was \$21,321,540.

**STILLWATER SCHOOL DISTRICT NO. 16  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011**

**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.

**7. RISK MANAGEMENT AND LITIGATION**

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 16, 2011, which is the date the financial statements were issued.

**OTHER SUPPLEMENTARY INFORMATION**

**STILLWATER SCHOOL DISTRICT NO. 16**  
**PAYNE COUNTY, OKLAHOMA**  
**COMBINING STATEMENT OF ASSETS AND LIABILITIES - REGULATORY BASIS**  
**SPECIAL REVENUE FUNDS**  
**JUNE 30, 2011**

	<u>BUILDING FUND</u>	<u>CHILD NUTRITION FUND</u>	<u>TOTALS (Memorandum Only)</u>
<u>ASSETS</u>			
Cash and Cash Equivalents	<u>\$1,239,648</u>	<u>527,608</u>	<u>1,767,256</u>
 Total Assets	 <u>\$1,239,648</u>	 <u>527,608</u>	 <u>1,767,256</u>
 <u>LIABILITIES AND FUND EQUITY</u>			
Liabilities:			
Warrants Outstanding	<u>\$212,821</u>	<u>74,776</u>	<u>287,597</u>
 Total Liabilities	 <u>212,821</u>	 <u>74,776</u>	 <u>287,597</u>
 Fund Equity:			
Reserved for Encumbrances	155,363	128,935	284,298
Fund Balance	<u>871,464</u>	<u>323,897</u>	<u>1,195,361</u>
 Total Fund Equity	 <u>1,026,827</u>	 <u>452,832</u>	 <u>1,479,659</u>
 Total Liabilities and Fund Equity	 <u>\$1,239,648</u>	 <u>527,608</u>	 <u>1,767,256</u>

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

**STILLWATER SCHOOL DISTRICT NO. 16**  
**PAYNE COUNTY, OKLAHOMA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - REGULATORY BASIS**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

	<u>BUILDING FUND</u>	<u>CHILD NUTRITION FUND</u>	<u>TOTALS (Memorandum Only)</u>
<b>Revenues:</b>			
Local Sources	\$1,676,040	904,642	2,580,682
State Sources	63,190	164,421	227,611
Federal Sources		1,228,388	1,228,388
<b>Total Revenues Collected</b>	<u>1,739,230</u>	<u>2,297,451</u>	<u>4,036,681</u>
<b>Expenditures:</b>			
Instruction	6,400		6,400
Support Services	2,210,506		2,210,506
Non-Instructional Services		2,219,697	2,219,697
Facilities Acquisition & Construction Services	33,212		33,212
Other Outlays		1,675	1,675
Repayments		911	911
<b>Total Expenditures</b>	<u>2,250,118</u>	<u>2,222,283</u>	<u>4,472,401</u>
<b>Excess of Revenues Over Expenditures</b>	<u>(510,888)</u>	<u>75,168</u>	<u>(435,720)</u>
<b>Other Financing Sources (Uses):</b>			
Return of Assets		1,675	1,675
Estopped Warrants		995	995
Deobligation of Prior Year Funds	9,586	2,388	11,974
<b>Total Other Financing Sources (Uses):</b>	<u>9,586</u>	<u>5,058</u>	<u>14,644</u>
<b>Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	<u>(501,302)</u>	<u>80,226</u>	<u>(421,076)</u>
<b>Fund Balance, Beginning of Year</b>	<u>1,372,766</u>	<u>243,671</u>	<u>1,616,437</u>
<b>Fund Balance, End of Year</b>	<u>\$871,464</u>	<u>323,897</u>	<u>1,195,361</u>

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



**STILLWATER SCHOOL DISTRICT NO. 16  
PAYNE 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, 2011**

	Building Fund			Child Nutrition Fund			
	Original/ Final Budget	Actual	Variance Favorable (Unfavorable)	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>							
Local Sources	\$1,508,600	1,676,040	167,440	830,530	830,530	904,642	74,112
State Sources	59,684	63,190	3,506	175,061	184,463	164,421	(20,042)
Federal Sources			0	1,020,518	1,086,684	1,228,388	141,704
<b>Total Revenues</b>	<b>1,568,284</b>	<b>1,739,230</b>	<b>170,946</b>	<b>2,026,109</b>	<b>2,101,677</b>	<b>2,297,451</b>	<b>195,774</b>
<b>EXPENDITURES :</b>							
Instruction	527,313	6,400	520,913				0
Support Services	2,380,437	2,210,506	169,931				0
Operation of Non-Instructional Services			0	2,267,158	2,342,726	2,219,697	123,029
Facilities Acquisition & Construction Service	33,300	33,212	88				0
Other Outlays			0	1,725	1,725	1,675	50
Repayments			0	897	897	911	(14)
<b>Total Expenditures</b>	<b>2,941,050</b>	<b>2,250,118</b>	<b>690,932</b>	<b>2,269,780</b>	<b>2,345,348</b>	<b>2,222,283</b>	<b>123,065</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(1,372,766)</b>	<b>(510,888)</b>	<b>861,878</b>	<b>(243,671)</b>	<b>(243,671)</b>	<b>75,168</b>	<b>318,839</b>
<b>OTHER FINANCING SOURCES (USES):</b>							
Return of Assets			0			1,675	1,675
Estopped Warrant			0			995	995
Deobligaton of Prior Year Funds		9,586	9,586			2,388	2,388
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>9,586</b>	<b>9,586</b>	<b>0</b>	<b>0</b>	<b>5,058</b>	<b>5,058</b>
<b>Revenue and Other Sources Over (Under) Expenditures and Other Uses</b>	<b>(1,372,766)</b>	<b>(501,302)</b>	<b>871,464</b>	<b>(243,671)</b>	<b>(243,671)</b>	<b>80,226</b>	<b>323,897</b>
<b>Fund Balance, Beginning of Year</b>	<b>1,372,766</b>	<b>1,372,766</b>	<b>0</b>	<b>243,671</b>	<b>243,671</b>	<b>243,671</b>	<b>0</b>
<b>Fund Balance, End of Year</b>	<b>\$0</b>	<b>871,464</b>	<b>871,464</b>	<b>0</b>	<b>0</b>	<b>323,897</b>	<b>323,897</b>

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

**STILLWATER SCHOOL DISTRICT NO. 16**  
**PAYNE COUNTY, OKLAHOMA**  
**COMBINING STATEMENT OF ASSETS AND LIABILITIES - REGULATORY BASIS**  
**CAPITAL PROJECTS FUNDS**  
**JUNE 30, 2011**

	<u>BOND FUND #37</u>	<u>BOND FUND #38</u>	<u>BOND FUND #39</u>	<u>TOTALS (Memorandum Only)</u>
<u>ASSETS</u>				
Cash and Cash Equivalents	<u>\$177</u>	<u>709,688</u>	<u>12,337,830</u>	<u>13,047,695</u>
Total Assets	<u>\$177</u>	<u>709,688</u>	<u>12,337,830</u>	<u>13,047,695</u>
<u>LIABILITIES AND FUND EQUITY</u>				
Liabilities:				
Warrants Outstanding	<u>\$0</u>	<u>163,332</u>	<u>175,269</u>	<u>338,601</u>
Total Liabilities	<u>\$0</u>	<u>163,332</u>	<u>175,269</u>	<u>338,601</u>
Fund Equity:				
Reserved for Encumbrances		66,216	156,846	223,062
Fund Balance	<u>177</u>	<u>480,140</u>	<u>12,005,715</u>	<u>12,486,032</u>
Total Fund Equity	<u>177</u>	<u>546,356</u>	<u>12,162,561</u>	<u>12,709,094</u>
Total Liabilities and Fund Equity	<u>\$177</u>	<u>709,688</u>	<u>12,337,830</u>	<u>13,047,695</u>

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

**STILLWATER SCHOOL DISTRICT NO. 16**  
**PAYNE COUNTY, OKLAHOMA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - REGULATORY BASIS**  
**CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

	BOND FUND #37	BOND FUND #38	BOND FUND #39	TOTALS (Memorandum Only)
<b>Revenues:</b>				
Local Sources	\$0	50,199		50,199
<b>Total Revenues Collected</b>	<u>0</u>	<u>50,199</u>	<u>0</u>	<u>50,199</u>
<b>Expenditures:</b>				
Instruction		64,554	4,352	68,906
Support Services	4,445	1,705,858	125,521	1,835,824
Facilities Acquisition & Constr. Srv.		67,036	202,242	269,278
<b>Total Expenditures</b>	<u>4,445</u>	<u>1,837,448</u>	<u>332,115</u>	<u>2,174,008</u>
<b>Excess of Revenues Over Expenditures</b>	(4,445)	(1,787,249)	(332,115)	(2,123,809)
<b>Other Financing Sources (Uses):</b>				
Proceeds from Sale of Bonds			12,337,830	12,337,830
Deobligation of Prior Year Funds		69,309		69,309
<b>Total Other Financing Sources (Uses):</b>	<u>0</u>	<u>69,309</u>	<u>12,337,830</u>	<u>12,407,139</u>
<b>Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	(4,445)	(1,717,940)	12,005,715	10,283,330
<b>Fund Balance, Beginning of Year</b>	<u>4,622</u>	<u>2,198,080</u>	<u>0</u>	<u>2,202,702</u>
<b>Fund Balance, End of Year</b>	<u>\$177</u>	<u>480,140</u>	<u>12,005,715</u>	<u>12,486,032</u>

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

**STILLWATER SCHOOL DISTRICT NO. 16**  
**PAYNE COUNTY, OKLAHOMA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -**  
**REGULATORY BASIS - ACTIVITY FUND - STILLWATER HIGH SCHOOL**  
**JULY 1, 2010 TO JUNE 30, 2011**

	<u>Balance</u> 7/01/10	<u>Deposits</u>	<u>Transfers</u>	<u>Disbursed</u>	<u>Balance</u> 6/30/11
Art Club	\$1,204.76	989.35	591.50	1,167.00	1,618.61
Football	7.05	0.00	0.00	0.00	7.05
Boys Basketball	1,044.11	150.00	0.00	1,180.92	13.19
Girls Basketball	879.17	1,566.00	1,875.00	3,780.13	540.04
Swimming	114.45	780.00	1,326.00	839.90	1,380.55
Boys Baseball	162.76	2,000.00	0.00	1,995.50	167.26
Girls Softball	41.46	4,676.00	0.00	4,451.89	265.57
Wrestling	695.00	0.00	0.00	400.00	295.00
Boys Tennis	33.04	72.00	0.00	0.00	105.04
Girls Tennis	227.48	515.00	0.00	415.50	326.98
Boys Track	0.00	0.00	0.00	0.00	0.00
Girls Track	0.00	0.00	0.00	0.00	0.00
Boys Golf	1,268.01	880.00	0.00	1,628.60	519.41
Cross Country	0.00	0.00	0.00	0.00	0.00
Boys Soccer	50.44	0.00	0.00	0.00	50.44
Girls Volleyball	0.00	3,000.00	0.00	2,000.00	1,000.00
Girls Golf	587.43	1,370.00	444.00	1,294.00	1,107.43
State Playoffs	4,285.10	36,344.00	0.00	37,154.32	3,474.78
All Sports	25,802.25	207,145.31	(1,535.50)	183,858.97	47,553.09
Band	1,850.39	3,669.58	49,201.64	18,990.39	35,731.22
Band/Student Accounts	31,402.46	4,479.08	(26,941.34)	8,940.20	0.00
Beta Club	577.60	2,785.00	0.00	1,902.46	1,460.14
Cheer Sponsor	257.92	0.00	0.00	0.00	257.92
Orch Benefit Fund/Trench	0.00	0.00	0.00	0.00	0.00
Clearing	0.00	10,875.50	0.00	10,875.50	0.00
DECA	2,033.93	5,574.30	7,408.71	13,491.69	1,525.25
Drama Club	3,633.39	205.00	0.00	1,680.72	2,157.67
Robotics Club	25.49	0.00	0.00	0.00	25.49
FBLA	497.47	0.00	0.00	0.00	497.47
FFA	3,933.85	24,514.86	10,329.00	32,463.76	6,313.95
French Club	384.63	955.50	0.00	1,144.96	195.17
SHS - PAC	14,740.83	31,614.50	520.00	14,380.16	32,495.17
FCCLA	337.51	2,102.29	333.00	2,176.70	596.10
Book Club	200.67	1,210.12	1,621.92	973.28	2,059.43

**STILLWATER SCHOOL DISTRICT NO. 16**  
**PAYNE COUNTY, OKLAHOMA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -**  
**REGULATORY BASIS - ACTIVITY FUND - STILLWATER HIGH SCHOOL**  
**JULY 1, 2010 TO JUNE 30, 2011**

	<u>Balance</u> 7/01/10	<u>Deposits</u>	<u>Transfers</u>	<u>Disbursed</u>	<u>Balance</u> 6/30/11
German Club	0.00	0.00	0.00	0.00	0.00
Raymond Estes Scholarship	5,895.60	0.00	0.00	0.00	5,895.60
Instructional	4,226.37	18,082.00	0.00	17,925.09	4,383.28
Interest	0.00	812.67	(812.67)	0.00	0.00
Junior Class	6,144.65	15,225.00	(2,447.65)	12,241.34	6,680.66
Key Club	337.50	389.85	0.00	287.50	439.85
Latin Club	157.13	0.00	(74.87)	82.26	0.00
Library	826.09	965.23	935.00	1,449.68	1,276.64
Girls Soccer	4.36	0.00	0.00	0.00	4.36
Miscellaneous	4,341.24	8,534.68	806.23	6,902.98	6,779.17
Mu Alpha Theta	49.80	710.00	0.00	498.50	261.30
National Honor Society	280.63	3,382.02	0.00	2,957.47	705.18
Newspaper	1,097.29	2,230.00	0.00	3,307.40	19.89
Orchestra	3,552.72	11,994.55	3,434.46	13,081.39	5,900.34
Pioneer Annual	6,360.73	42,604.18	0.00	14,701.04	34,263.87
Parking Fees	5,656.69	12,819.50	0.00	12,837.05	5,639.14
Technology Student Association	0.00	0.00	0.00	0.00	0.00
Senior Class	4,130.75	8,765.00	6,144.65	10,698.68	8,341.72
Science Club	2,329.36	0.00	20.00	175.00	2,174.36
Academic Team	0.00	0.00	0.00	0.00	0.00
Sophomore Class	3,697.00	1,685.00	(3,697.00)	321.67	1,363.33
Spanish Club	246.19	147.00	0.00	173.09	220.10
Student Council	2,293.34	17,676.53	2,500.50	21,717.75	752.62
Varsity Cheerleaders	187.32	0.00	1,972.00	0.00	2,159.32
Varsity Poms	1,187.33	0.00	663.00	802.95	1,047.38
Vocal Music	5,740.58	13,812.49	4,292.25	4,986.38	18,858.94
Youth & Government	1,481.10	5,955.00	0.00	5,774.90	1,661.20
Teacher Courtesy Fund	636.20	220.00	0.00	190.37	665.83
FR ISA JH Football Concession	0.00	214.62	(214.62)	0.00	0.00
W. Welch Memorial Srsting Sch	1,870.00	0.00	0.00	0.00	1,870.00
FR Band Catalog Sales	0.00	12,349.70	(5,016.50)	7,333.20	0.00

**STILLWATER SCHOOL DISTRICT NO. 16**  
**PAYNE COUNTY, OKLAHOMA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -**  
**REGULATORY BASIS - ACTIVITY FUND - STILLWATER HIGH SCHOOL**  
**JULY 1, 2010 TO JUNE 30, 2011**

	<u>Balance</u> 7/01/10	<u>Deposits</u>	<u>Transfers</u>	<u>Disbursed</u>	<u>Balance</u> 6/30/11
FR Band STW Finest Cards	0.00	2,385.00	(1,371.00)	1,014.00	0.00
FR Band Magazine Sales	0.00	10,171.00	(4,063.80)	6,107.20	0.00
FR Chrs STW Finest Cards	0.00	3,480.00	(1,972.00)	1,508.00	0.00
FR Band Gift Cards	0.00	0.00	0.00	0.00	0.00
FR DECA STW Finest Cards	0.00	2,540.00	(1,305.00)	1,235.00	0.00
FR Girls BB STW Finest Cards	0.00	3,305.00	(1,875.00)	1,430.00	0.00
FR Band Ribs Sales	0.00	5,490.00	(1,842.00)	3,648.00	0.00
FR LIB STW Finest Cards	0.00	1,650.00	(935.00)	715.00	0.00
Theatre Performance	5,214.42	7,169.53	0.00	5,424.45	6,959.50
FR Orch STW Finest Cards	0.00	1,530.00	(867.00)	663.00	0.00
DECA/Student Store	682.92	0.00	0.00	0.00	682.92
FR Poms STW Finest Cards	0.00	1,170.00	(663.00)	507.00	0.00
FR Band OSU FB Conc.	0.00	5,254.90	(5,254.90)	0.00	0.00
Stillwater Summer Strings	0.00	0.00	0.00	0.00	0.00
FR Swim STW Finest Cards	0.00	2,340.00	(1,326.00)	1,014.00	0.00
Driving Club	18.69	0.00	(18.69)	0.00	0.00
NDN Club	75.38	21.00	214.62	93.45	217.55
FR FFA Meat Sales	0.00	45,606.00	(8,451.00)	37,155.00	0.00
FR V.MUS STW Finest Cards	0.00	4,620.00	(2,618.00)	2,002.00	0.00
L. Allred Memorial Golf Sch.	16,500.00	500.00	0.00	0.00	17,000.00
FR Lib. Book Fair	0.00	0.00	0.00	0.00	0.00
Orchestra Booster Club	6,057.81	2,926.96	1,418.18	5,225.17	5,177.78
Young Democrats Club	219.00	0.00	0.00	0.00	219.00
FR Orch Bstrs Hrvst Hodwn	0.00	1,510.00	(1,418.18)	91.82	0.00
FR Girls BB Prog Sales	0.00	0.00	0.00	0.00	0.00
FR Orch/Choir Catalog Sales	0.00	5,051.46	(1,721.86)	3,329.60	0.00
FR DECA "Spirit" Store	0.00	524.00	(48.00)	476.00	0.00
FR Deca Sprts Conc/Vball	0.00	1,635.00	(4.67)	1,630.33	0.00
FR DECA SPTS Con/WR&BB/Oc	0.00	3,683.00	(1,860.81)	1,822.19	0.00
POM Sponsor	7.33	0.00	0.00	0.00	7.33
Soft Drink Commission	920.71	1,011.79	0.00	1,080.98	851.52
Recycling Club	993.89	130.29	0.00	695.00	429.18
FR V.Music Citrus Fruit Sale	0.00	1,844.22	(465.05)	1,379.17	0.00
FR V.Mus. Catalog Sales	0.00	1,085.10	(339.00)	746.10	0.00

**STILLWATER SCHOOL DISTRICT NO. 16**  
**PAYNE COUNTY, OKLAHOMA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -**  
**REGULATORY BASIS - ACTIVITY FUND - STILLWATER HIGH SCHOOL**  
**JULY 1, 2010 TO JUNE 30, 2011**

	Balance 7/01/10	Deposits	Transfers	Disbursed	Balance 6/30/11
FR DECA SPTS Con/Wr&BB/Jar	0.00	3,600.00	(2,615.23)	984.77	0.00
FR Acad Tm Concession Sales	0.00	0.00	0.00	0.00	0.00
FR Deca Spts Concess/Feb-M	0.00	0.00	0.00	0.00	0.00
FR CHRS Seat Cusions	0.00	0.00	0.00	0.00	0.00
Concessios Equipment Fund	54.66	0.00	0.00	0.00	54.66
FR Girls BB Free Throw Sht-A-T	0.00	0.00	0.00	0.00	0.00
FR CHRS Cheer Clinic	0.00	0.00	0.00	0.00	0.00
FR BK Club Coffee/H. Choc.	0.00	963.92	(963.92)	0.00	0.00
FR Lib Cookbook	0.00	0.00	0.00	0.00	0.00
Facility Rental	0.00	0.00	0.00	0.00	0.00
FR Stuco Howdy Wk T-Shirts	0.00	6,288.00	(2,500.50)	3,787.50	0.00
FR V.Music Catalog Sales	0.00	0.00	0.00	0.00	0.00
Disc Golf & Ultimate Club	500.00	209.00	500.00	689.00	520.00
Art Instructional	0.00	3,230.00	0.00	2,843.60	386.40
Art II Instructional	0.00	0.00	0.00	0.00	0.00
FR Jr Class Spirit Wear	0.00	0.00	0.00	0.00	0.00
Ballroom Dancing Club	199.34	0.00	0.00	198.98	0.36
Pottery Instructional	0.00	3,075.00	0.00	572.00	2,503.00
Students for Human Rights	0.00	89.00	0.00	0.00	89.00
FR BK Clb Coffee/H Choc - Jan-f	0.00	277.50	(277.50)	0.00	0.00
FR Girls BB Free Throw Sht-A-T	0.00	0.00	0.00	0.00	0.00
FR Orch Magazine Sales	0.00	5,796.00	(2,350.80)	3,445.20	0.00
FR Girls BBall BBall Shirts	0.00	0.00	0.00	0.00	0.00
Groove Squad	38.00	0.00	0.00	0.00	38.00
FR FFA Meat Sales/II Sem	0.00	14,311.00	(1,878.00)	12,433.00	0.00
FR Band OSU B.B. Conc	0.00	4,077.10	(4,077.10)	0.00	0.00
International Club	297.55	21.00	0.00	211.17	107.38
FR V.Music Coffee Sales	0.00	0.00	0.00	0.00	0.00
FR BK Clb Coffee/H. Choc - Marc	0.00	367.60	(280.50)	87.10	0.00
FR Deca H/C T-shirts	0.00	6,036.00	(1,908.00)	4,128.00	0.00
FR Sci Club Plant Sale	0.00	20.00	(20.00)	0.00	0.00
Writing Club	25.47	0.00	0.00	0.00	25.47
FR Sci Club Bake Sale	0.00	0.00	0.00	0.00	0.00
FR Stu Tech Pioneer Revue	0.00	1,295.00	(520.00)	775.00	0.00
History Club Haines	163.53	240.00	0.00	379.19	24.34
<b>TOTAL</b>	<b>\$190,977.32</b>	<b>692,578.78</b>	<b>(0.00)</b>	<b>595,159.21</b>	<b>288,396.89</b>

**STILLWATER SCHOOL DISTRICT NO. 16**  
**PAYNE COUNTY, OKLAHOMA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -**  
**REGULATORY BASIS - ACTIVITY FUND - STILLWATER JUNIOR HIGH SCHOOL**  
**JULY 1, 2010 TO JUNE 30, 2011**

	<u>Balance</u> 07/01/10	<u>Deposits</u>	<u>Transfers</u>	<u>Disbursed</u>	<u>Balance</u> 06/30/11
Art	\$144.95	910.00	210.00	1,155.45	109.50
Athletics	5,741.65	26,766.84	(175.00)	23,485.76	8,847.73
Cheerleaders 9th Grade	5,515.79	8,678.75	1,910.26	10,715.89	5,388.91
Clearing	0.00	11,255.48	0.00	11,255.48	0.00
Concessions	288.68	400.96	0.00	349.60	340.04
Teacher Courtesy Fund	322.50	260.00	0.00	400.16	182.34
Special Events	492.08	2,070.40	41.25	1,390.01	1,213.72
FCCLA	20.01	420.00	100.00	468.00	72.01
General	1,604.03	3,418.36	(480.00)	2,328.72	2,213.67
Facility Rental	0.00	2,476.00	0.00	371.40	2,104.60
Sewing	43.63	1,144.30	(80.00)	795.16	312.77
Interest	0.00	116.25	(116.25)	0.00	0.00
Journalism	18,083.73	17,441.84	0.00	21,343.29	14,182.28
Language Arts	204.62	150.00	0.00	0.00	354.62
Library	315.62	468.68	232.96	342.70	674.56
Locker	31.19	30.00	555.00	613.50	2.69
Social Studies	0.00	250.00	0.00	0.00	250.00
Spanish	0.00	697.00	0.00	637.99	59.01
Speech	2.74	264.00	0.00	264.00	2.74
Art-Jackson	90.72	700.00	(230.00)	535.05	25.67
Student Council	1,181.93	61.00	867.92	456.00	1,654.85
Tech Education	277.92	1,544.46	0.00	1,208.66	613.72
TSA	350.47	364.00	658.61	585.14	787.94
Vocal Music	1,171.45	6,889.00	1,505.24	8,459.40	1,106.29
Beta Club	0.00	1,674.00	0.00	1,515.26	158.74
Cheerleaders 8th Grade	6,914.09	7,182.66	70.92	10,970.03	3,197.64
Youth & Government	586.00	2,980.00	0.00	2,754.00	812.00
FR TSA Coffee/Hot Choc Sales	0.00	1,748.00	(658.61)	1,089.39	0.00
FR ISA JH FBall Concession	0.00	214.62	(214.62)	0.00	0.00
FR V.Music "Music in the Schs	0.00	0.00	0.00	0.00	0.00
FR Library Book Fair	0.00	1,732.89	(232.96)	1,499.93	0.00
FR V.Music Catalog Sales/1 Sem	0.00	2,857.50	(1,330.24)	1,527.26	0.00
FR V.Music Catalog Sales/II Sem	0.00	0.00	0.00	0.00	0.00
FR ISA Student Store	0.00	116.70	(116.70)	0.00	0.00
Agendas	2,735.18	3,626.95	0.00	4,579.92	1,782.21
FR ISA Student Store/II Sem	0.00	120.80	(120.80)	0.00	0.00
FR Stuco Spring Semi-Formal	0.00	1,800.00	(867.92)	932.08	0.00
Builders Club	216.26	320.00	0.00	97.09	439.17
Native American Club	201.55	0.00	452.12	255.33	398.34
FR 8th/9th CHRS Flower Sales	0.00	0.00	0.00	0.00	0.00
FR 8th/9th CHRS Recital Flwr	0.00	3,151.00	(1,981.18)	1,169.82	0.00
<b>TOTAL</b>	<u>\$46,536.79</u>	<u>114,302.44</u>	<u>0.00</u>	<u>113,551.47</u>	<u>47,287.76</u>



**STILLWATER SCHOOL DISTRICT NO. 16**  
**PAYNE COUNTY, OKLAHOMA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -**  
**REGULATORY BASIS - ACTIVITY FUND - STILLWATER MIDDLE SCHOOL**  
**JULY 1, 2010 TO JUNE 30, 2011**

	<u>Balance</u> <u>7/01/10</u>	<u>Deposits</u>	<u>Transfers</u>	<u>Disbursed</u>	<u>Balance</u> <u>6/30/11</u>
Clearing	\$0.00	3,312.19	0.00	3,312.19	0.00
Yearbook	\$6,131.44	16,439.50	467.00	14,693.23	8,344.71
Extended Study	\$19.82	0.00	(19.82)	0.00	0.00
Facility Rental	\$0.00	16,648.00	0.00	10,564.49	6,083.51
Interest	\$0.00	46.70	(46.70)	0.00	0.00
Kameoka	\$4.49	0.00	(4.49)	0.00	0.00
Library	\$2,684.29	1,361.91	2,774.43	4,895.65	1,924.98
Indian Student Association	\$153.49	0.00	346.69	246.80	253.38
Alpha Team	\$191.80	0.00	401.21	299.11	293.90
Physical Education	\$57.75	831.00	0.00	821.32	67.43
Resource Officer	\$17.32	0.00	(0.85)	16.47	0.00
Student Council	\$386.76	237.50	1,372.00	388.25	1,608.01
Kay Hutson Memorial Fund	\$223.65	23.14	0.00	44.20	202.59
Arete' Team	\$108.85	0.00	412.16	102.19	418.82
Special Events	\$6,790.20	9,587.18	71.86	13,924.12	2,525.12
Omega Team	\$0.00	0.00	378.01	0.00	378.01
Titans Team	\$286.49	32.61	283.00	269.00	333.10
Guidance	\$453.31	0.00	0.00	117.98	335.33
Synergy Team	\$550.39	0.00	42.62	593.01	0.00
ISA Student Store	\$165.96	0.00	(132.07)	33.89	0.00
Artisans Team	\$544.31	85.25	(30.00)	169.96	429.60
Agenda	\$768.07	3,784.00	0.00	3,600.32	951.75
FR Stuco Dance/I Sem	\$0.00	1,372.00	(1,372.00)	0.00	0.00
FR Sch Wide STW Finest Cards	\$0.00	4,229.00	(1,954.00)	2,275.00	0.00
FR ISA JH FBall Concession	\$0.00	214.62	(214.62)	0.00	0.00
FR Lib Book Fair/1 Sem.	\$0.00	4,796.34	(1,514.95)	3,281.39	0.00
FR Xcntry Dodge Ball Tourn	\$0.00	0.00	0.00	0.00	0.00
FR Stuco Dance/II Sem	\$0.00	0.00	0.00	0.00	0.00
FR Lib Book Fair/II Sem.	\$0.00	3,749.14	(1,259.48)	2,489.66	0.00
FR ISA Bake Sale/February	\$0.00	0.00	0.00	0.00	0.00
FR ISA Bake Sale/April	\$0.00	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b><u>\$19,538.39</u></b>	<b><u>66,750.08</u></b>	<b><u>0.00</u></b>	<b><u>62,138.23</u></b>	<b><u>24,150.24</u></b>

**STILLWATER SCHOOL DISTRICT NO. 16**  
**PAYNE COUNTY, OKLAHOMA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -**  
**REGULATORY BASIS - ACTIVITY FUND - HIGHLAND ELEMENTARY SCHOOL**  
**JULY 1, 2010 TO JUNE 30, 2011**

	<u>Balance</u> <u>'7/01/10</u>	<u>Deposits</u>	<u>Transfers</u>	<u>Disbursed</u>	<u>Balance</u> <u>6/30/11</u>
After School Art Program	\$0.00	1,550.00	0.00	1,550.00	0.00
Field Trip	0.00	1,750.00	0.00	1,329.00	421.00
Interest	0.00	33.97	(33.97)	0.00	0.00
Library	2,383.49	3,145.81	0.00	2,835.31	2,693.99
Student Supplies	2,512.07	10,913.32	0.00	10,277.90	3,147.49
Special Events	18,726.77	13,158.94	33.97	15,718.44	16,201.24
<b>TOTAL</b>	<u><u>\$23,622.33</u></u>	<u><u>30,552.04</u></u>	<u><u>0.00</u></u>	<u><u>31,710.65</u></u>	<u><u>22,463.72</u></u>

**STILLWATER SCHOOL DISTRICT NO. 16**  
**PAYNE COUNTY, OKLAHOMA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -**  
**REGULATORY BASIS - ACTIVITY FUND - RICHMOND ELEMENTARY SCHOOL**  
**JULY 1, 2010 TO JUNE 30, 2011**

	<u>Balance</u> <u>07/01/10</u>	<u>Deposits</u>	<u>Transfers</u>	<u>Disbursed</u>	<u>Balance</u> <u>06/30/11</u>
After School Art Program	\$0.00	2,000.00	0.00	2,000.00	0.00
Facility Rental	\$0.00	0.00	0.00	0.00	0.00
Interest	0.00	22.64	(22.64)	0.00	0.00
Library	343.22	318.99	0.00	285.75	376.46
Miscellaneous	8,565.71	18,060.23	0.00	15,693.32	10,932.62
Choir	0.00	734.16	703.50	1,437.66	0.00
FR Choir Singing Valentines	0.00	0.00	0.00	0.00	0.00
Student Supplies	1,146.98	14,207.51	0.00	14,072.02	1,282.47
Summer School	0.00	7,020.00	0.00	7,020.00	0.00
Special Events	409.09	758.00	22.64	644.72	545.01
FR Car Wash	0.00	703.50	(703.50)	0.00	0.00
National Geographic Grant	3,266.61	0.00	0.00	0.00	3,266.61
<b>TOTAL</b>	<u>\$13,731.61</u>	<u>43,825.03</u>	<u>0.00</u>	<u>41,153.47</u>	<u>16,403.17</u>

**STILLWATER SCHOOL DISTRICT NO. 16**  
**PAYNE COUNTY, OKLAHOMA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -**  
**REGULATORY BASIS - ACTIVITY FUND - SKYLINE ELEMENTARY SCHOOL**  
**JULY 1, 2010 TO JUNE 30, 2011**

	<u>Balance</u> <u>7/01/10</u>	<u>Deposits</u>	<u>Transfers</u>	<u>Disbursed</u>	<u>Balance</u> <u>6/30/11</u>
After School Art Program	0.00	1,175.00	0.00	1,175.00	0.00
Facility Rental	0.00	4,748.00	0.00	1,888.03	2,859.97
Field Trips	332.25	0.00	0.00	300.00	32.25
NEA Grant/Ortiz	590.74	0.00	0.00	0.00	590.74
Interest	0.00	23.90	(23.90)	0.00	0.00
Library	4,194.42	3,460.69	0.00	4,133.67	3,521.44
Miscellaneous	484.40	54.80	0.00	492.64	46.56
SK Art Class	1,915.19	2,000.00	0.00	3,809.47	105.72
Teacher Grants	0.00	137.50	0.00	137.17	0.33
Student Supplies	0.00	13,653.79	0.00	13,595.44	58.35
Summer School	0.00	0.00	0.00	0.00	0.00
Special Events	0.00	4,439.68	23.90	2,263.86	2,199.72
Super Kids Fund	124.08	0.00	0.00	0.00	124.08
Student Store	352.18	0.00	0.00	0.00	352.18
Skyline Garden Grant	707.53	0.00	0.00	0.00	707.53
<b>TOTAL</b>	<u><b>\$8,700.79</b></u>	<u><b>29,693.36</b></u>	<u><b>0.00</b></u>	<u><b>27,795.28</b></u>	<u><b>10,598.87</b></u>

**STILLWATER SCHOOL DISTRICT NO. 16**  
**PAYNE COUNTY, OKLAHOMA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -**  
**REGULATORY BASIS - ACTIVITY FUND - SANGRE RIDGE ELEMENTARY SCHOOL**  
**JULY 1, 2010 TO JUNE 30, 2011**

	<u>Balance</u> <u>07/01/10</u>	<u>Deposits</u>	<u>Transfers</u>	<u>Disbursed</u>	<u>Balance</u> <u>06/30/11</u>
After School Art Program	0.00	2,100.00	0.00	2,100.00	0.00
Chorus	13.75	0.00	0.00	0.00	13.75
Playground	0.00	0.00	0.00	0.00	0.00
Facility Rental	0.00	570.00	0.00	85.50	484.50
Interest	0.00	11.54	(11.54)	0.00	0.00
Library	0.00	0.00	0.00	0.00	0.00
Miscellaneous	1,627.85	4,037.78	0.00	3,188.90	2,476.73
PTA Donations	54.19	0.00	0.00	0.00	54.19
Physical Education	189.10	0.00	0.00	0.00	189.10
Student Supplies	134.90	12,359.24	0.00	10,531.74	1,962.40
Summer School	0.00	0.00	0.00	0.00	0.00
Special Events	1,012.46	3,010.23	11.54	2,754.93	1,279.30
Community Partner Program	35.70	0.00	0.00	0.00	35.70
<b>TOTAL</b>	<u>3,067.95</u>	<u>22,088.79</u>	<u>(0.00)</u>	<u>18,661.07</u>	<u>6,495.67</u>

**STILLWATER SCHOOL DISTRICT NO. 16**  
**PAYNE COUNTY, OKLAHOMA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -**  
**REGULATORY BASIS - ACTIVITY FUND - WILL ROGERS ELEMENTARY SCHOOL**  
**JULY 1, 2010 TO JUNE 30, 2011**

	<u>Balance</u> <u>7/1/2010</u>	<u>Deposits</u>	<u>Transfers</u>	<u>Disbursed</u>	<u>Balance</u> <u>6/30/2011</u>
After School Art Program	\$0.00	925.00	0.00	925.00	0.00
Facility Rental	\$0.00	0.00	0.00	0.00	0.00
Field Trips	3.82	2,859.17	0.00	2,612.05	250.94
Will Rogers Walking Trail	0.00	6,128.61	0.00	0.00	6,128.61
Interest	0.00	21.78	(21.78)	0.00	0.00
Library	3,428.46	4,718.73	0.00	3,889.61	4,257.58
Curriculum	276.08	4,736.03	0.00	1,222.23	3,789.88
Student Supplies	3,267.87	11,027.82	0.00	13,084.63	1,211.06
Student Store	330.20	1,138.95	0.00	1,038.40	430.75
Special Events	2,335.93	3,267.10	21.78	2,070.96	3,553.85
Summer School	0.00	0.00	0.00	0.00	0.00
Professional Development	352.66	0.00	0.00	116.00	236.66
<b>TOTAL</b>	<u><b>\$9,995.02</b></u>	<u><b>34,823.19</b></u>	<u><b>0.00</b></u>	<u><b>24,958.88</b></u>	<u><b>19,859.33</b></u>

**STILLWATER SCHOOL DISTRICT NO. 16**  
**PAYNE COUNTY, OKLAHOMA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -**  
**REGULATORY BASIS - ACTIVITY FUND - WESTWOOD ELEMENTARY SCHOOL**  
**JULY 1, 2010 TO JUNE 30, 2011**

	<u>Balance</u> 07/01/10	<u>Deposits</u>	<u>Transfers</u>	<u>Disbursed</u>	<u>Balance</u> 06/30/11
After School Art Program	0.00	3,525.00	0.00	3,525.00	0.00
Field Trips	0.00	0.00	0.00	0.00	0.00
Facility Rental	0.00	7,960.00	0.00	1,194.00	6,766.00
Interest	0.00	36.18	(36.18)	0.00	0.00
Library	685.34	0.00	0.00	566.12	119.22
Donations	1,634.35	1,408.62	0.00	697.35	2,345.62
PTA Donations	152.65	419.99	0.00	419.99	152.65
Student Supplies	5,960.24	13,938.32	0.00	10,857.89	9,040.67
Foreign Language - Chinese	0.00	600.00	0.00	531.72	68.28
Summer School	0.00	0.00	0.00	0.00	0.00
Special Events	3,638.29	5,135.09	36.18	5,147.44	3,662.12
Excel	1,510.94	1,507.00	0.00	2,674.15	343.79
<b>TOTAL</b>	<b><u>\$13,581.81</u></b>	<b><u>34,530.20</u></b>	<b><u>0.00</u></b>	<b><u>25,613.66</u></b>	<b><u>22,498.35</u></b>

**STILLWATER SCHOOL DISTRICT NO. 16**  
**PAYNE COUNTY, OKLAHOMA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -**  
**REGULATORY BASIS - ACTIVITY FUND - LINCOLN ALTERNATIVE ACADEMY**  
**JULY 1, 2010 TO JUNE 30, 2011**

	<u>Balance</u> <u>07/01/10</u>	<u>Deposits</u>	<u>Transfers</u>	<u>Disbursed</u>	<u>Balance</u> <u>06/30/11</u>
Miscellaneous	\$1,458.49	1,650.41	5.16	1,072.69	2,041.37
Interest	0.00	5.16	(5.16)	0.00	0.00
Facility Rental	0.00	0.00	0.00	0.00	0.00
Indian Student Association	4.74	0.00	214.62	152.15	67.21
FR ISA JH FBall Concession	0.00	214.62	(214.62)	0.00	0.00
Friends of Lincoln	1,163.16	1,943.18	0.00	2,304.34	802.00
<b>TOTAL</b>	<u>\$2,626.39</u>	<u>3,813.37</u>	<u>0.00</u>	<u>3,529.18</u>	<u>2,910.58</u>



**STILLWATER SCHOOL DISTRICT NO. 16**  
**PAYNE COUNTY, OKLAHOMA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -**  
**REGULATORY BASIS - ACTIVITY FUND - CURRICULUM**  
**JULY 1, 2010 TO JUNE 30, 2011**

	<u>Balance</u> <u>7/01/10</u>	<u>Deposits</u>	<u>Transfers</u>	<u>Disbursed</u>	<u>Balance</u> <u>6/30/11</u>
Grant/Change of Course	\$902.70	0.00	0.00	0.00	902.70
Grant/Innovation	350.47	0.00	0.00	0.00	350.47
Grant/Innovation (Hoffman)	0.00	0.00	0.00	0.00	0.00
Grant/Fine Arts	<u>1,151.04</u>	<u>6,000.00</u>	<u>0.00</u>	<u>6,000.00</u>	<u>1,151.04</u>
<b>TOTAL</b>	<u>\$2,404.21</u>	<u>6,000.00</u>	<u>0.00</u>	<u>6,000.00</u>	<u>2,404.21</u>

**STILLWATER SCHOOL DISTRICT NO. 16**  
**PAYNE COUNTY, OKLAHOMA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -**  
**REGULATORY BASIS - ACTIVITY FUND - PROFESSIONAL DEVELOPMENT CENTER**  
**JULY 1, 2010 TO JUNE 30, 2011**

	<u>Balance</u> <u>7/1/2010</u>	<u>Deposits</u>	<u>Transfers</u>	<u>Disbursed</u>	<u>Balance</u> <u>6/30/2011</u>
Interest	\$0.00	2.96	(2.96)	0.00	0.00
Miscellaneous	316.38	195.00	2.96	379.72	134.62
Supplies	1,683.82	1,295.98	0.00	2,830.03	149.77
Teacher of the Year	61.30	250.00	0.00	5.00	306.30
<b>TOTAL</b>	<u><u>\$2,061.50</u></u>	<u><u>1,743.94</u></u>	<u><u>0.00</u></u>	<u><u>3,214.75</u></u>	<u><u>590.69</u></u>

**STILLWATER SCHOOL DISTRICT NO. 16**  
**PAYNE COUNTY, OKLAHOMA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -**  
**REGULATORY BASIS - ACTIVITY FUND - SPECIAL EVENTS**  
**JULY 1, 2010 TO JUNE 30, 2011**

	<u>Balance</u> <u>7/1/2010</u>	<u>Deposits</u>	<u>Transfers</u>	<u>Disbursed</u>	<u>Balance</u> <u>6/30/2011</u>
Special Events	<u>\$388.02</u>	<u>352.00</u>	<u>0.00</u>	<u>214.84</u>	<u>525.18</u>
TOTAL	<u>\$388.02</u>	<u>352.00</u>	<u>0.00</u>	<u>214.84</u>	<u>525.18</u>

**STILLWATER SCHOOL DISTRICT NO. 16**  
**PAYNE COUNTY, OKLAHOMA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -**  
**REGULATORY BASIS - ACTIVITY FUND - TRANSPORTATION**  
**JULY 1, 2010 TO JUNE 30, 2011**

	<u>Balance</u> <u>7/1/2010</u>	<u>Deposits</u>	<u>Transfers</u>	<u>Disbursed</u>	<u>Balance</u> <u>6/30/2011</u>
Special Events	\$0.00	8,569.75	5.80	3,790.63	4,784.92
Courtesy Fund	0.00	0.00	0.00	0.00	0.00
Interest	0.00	5.80	(5.80)	0.00	0.00
<b>TOTAL</b>	<u><u>\$0.00</u></u>	<u><u>8,575.55</u></u>	<u><u>0.00</u></u>	<u><u>3,790.63</u></u>	<u><u>4,784.92</u></u>

**STILLWATER SCHOOL DISTRICT NO. 16**  
**PAYNE COUNTY, OKLAHOMA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -**  
**REGULATORY BASIS - ACTIVITY FUND - BOARD OF EDUCATION**  
**JULY 1, 2010 TO JUNE 30, 2011**

	<u>Balance</u> <u>'7/01/10</u>	<u>Deposits</u>	<u>Transfers</u>	<u>Disbursed</u>	<u>Balance</u> <u>6/30/11</u>
Petty Cash	\$0.00	0.00	0.00	0.00	0.00
Special Events	14,261.93	14,720.86	31.95	13,661.15	15,353.59
Interest	0.00	31.95	(31.95)	0.00	0.00
Elem Stu Supp	1,398.50	74,992.75	0.00	76,100.00	291.25
<b>TOTAL</b>	<b><u>\$15,660.43</u></b>	<b><u>89,745.56</u></b>	<b><u>0.00</u></b>	<b><u>89,761.15</u></b>	<b><u>15,644.84</u></b>

**STILLWATER SCHOOL DISTRICT NO. 16  
PAYNE COUNTY, OKLAHOMA  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED JUNE 30, 2011**

	OCAS Project Number	Federal CFDA Number	Program or Award Amount	Cash/ Beginning Balance at July 1, 2010	Federal Receipts	Federal Expenditures	Cash/ Ending Balance at June 30, 2011
<b>U.S. Department of Education</b>							
<b>Direct Programs</b>							
Indian Education	561	84 060A	\$78,605.00		78,605.00	78,605.00	0.00
Medicaid	698	93 778	249,803.97		249,803.97	249,803.97	0.00
Sub-total			328,408.97	0.00	328,408.97	328,408.97	0.00
<b>Passed through the Department of Education</b>							
Title I, Part A	511	84 010	891,148.58		861,655.10	866,485.05	(4,829.95)
Title I, Part A - Prior Year	799	84 010		(12,905.44)	12,905.44		0.00
Title I, Part A - ARRA	516	84 389	211,542.37		210,920.13	211,542.37	(622.24)
Title I, Part A - ARRA - Prior Year	799	84 389		(2,000.00)	2,000.00		0.00
Title I, Part A, Neglected	518	84 010	13,749.86		13,749.86	13,749.86	0.00
Title II, Part A	541	84 367	224,350.95		202,934.23	202,993.73	(59.50)
Title II, Part A - Prior Year	799	84 367		(550.00)	550.00		0.00
Title II, Part A (Video Conference Centers)	543	84 367	29,500.00		20,444.64	20,444.64	0.00
Title II-D Technology	546	84 318	3,367.72		2,975.78	2,975.78	0.00
Title II-D Technology (Staff Development)	548	84 318	733.72		733.72	733.72	0.00
Title III, Emergency Immigrant	571	84 365	3,229.45		3,299.45	3,299.45	0.00
Title III, Emergency Immigrant - Prior Year	799	84 365		(6,993.77)	6,993.77		0.00
Title III, Part A	572	84 365	24,190.94		10,588.95	16,614.03	(6,025.08)
Title III, Part A - Prior Year	799	84 365		(5,999.15)	5,999.15		0.00
Title IV, Part A	551	84 186	6,000.74		6,000.74	6,000.74	0.00
Title IV, Part A - Prior Year	799	84 186		(1,000.00)	1,000.00		0.00
Homeless Children & Youth	598	84 196	73,912.87		38,787.73	57,895.75	(19,108.02)
Homeless Children & Youth - Prior Year	799	84 196		(22,366.71)	22,366.71		0.00
Early Intervening Services	623	84 027	44,424.84		44,424.84	44,424.84	0.00
Early Intervention - ARRA	624	84 391	65,689.98		65,689.98	65,689.98	0.00
Individuals with Disabilities	625	84 027	5,115.90		5,115.90	5,115.90	0.00
IDEA-B Flow Through	621	84 027	1,240,652.13		1,102,586.10	1,160,949.63	(58,363.53)
IDEA-B Flow Through - Prior Year	799	84 027		(10,110.94)	10,110.94		0.00
IDEA-B Flow Through - ARRA	622	84 391	333,183.09		333,183.09	333,183.09	0.00
IDEA-B Flow Through - ARRA - Prior Year	799	84 391		(46,378.79)	46,378.79		0.00
IDEA Discretionary	813	84 027	5,000.00		5,000.00	5,000.00	0.00
IDEA-B Project ECHO - Prior Year	799	84 027		(440.00)	440.00		0.00
IDEA-B Pre-School	641	84 173	21,745.42		17,982.14	21,745.42	(3,783.28)
Adult Basic Education	731	84 002	55,250.83		54,601.82	54,673.22	(71.40)
Adult Basic Education - Prior Year	799	84 002		(476.00)	476.00		0.00
Foundation & Salary ARRA	782	84 394	1,213,210.00		1,213,210.00	1,213,210.00	0.00
Education Jobs	790	84 410	1,013,480.00		1,013,480.00	1,013,480.00	0.00
Textbooks - ARRA	787	84 397	231,391.00	231,391.00		231,391.00	0.00
Summer Transition	651	84 323A	31,546.00		9,434.44	9,434.44	0.00
Summer Transition - Prior Year	799	84 323A		(1,467.94)	1,467.94		0.00
Sub-total			5,742,416.37	120,702.26	5,347,467.36	5,561,032.64	(92,863.00)
<b>Office of Environmental Education, Environmental Protection Agency</b>							
Environmental Education Grant	771	66 951	9,893.73		9,893.73	9,893.73	0.00
<b>Passed Through Department of Vocational and Technical Education</b>							
Carl Perkins Vocational and Applied Technology	421	84 048	57,524.00		57,248.71	57,248.71	0.00
Rehabilitation Services	456	84 126	5,855.94		5,855.94	5,855.94	0.00
Sub-total			63,379.94	0.00	63,104.65	63,104.65	0.00
<b>U.S. Department of Agriculture</b>							
<b>Passed Through State Department of Education</b>							
Commodities	385	10 550	95,895.38		91,585.99	91,585.99	0.00
National School Lunch	385	10 555	856,717.50		856,717.50	856,717.50	0.00
School Breakfast	385	10 553	332,767.12		332,767.12	332,767.12	0.00
Summer Food	766	10 559	29,014.61		13,929.56	29,014.61	(15,085.05)
Summer Food - Prior Year	799	10 559		(15,080.02)	15,080.02		0.00
Sub-total			1,314,394.61	(15,080.02)	1,310,080.19	1,310,085.22	(15,085.05)
<b>Total Federal Assistance</b>			<b>\$7,458,493.62</b>	<b>105,622.24</b>	<b>7,058,954.92</b>	<b>7,272,525.21</b>	<b>(107,948.05)</b>

Note A: Basis of Presentation - The Schedule of Expenditures of Federal Awards includes the federal grant activity of the Stillwater 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 approved purchase order is issued.

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 accounting.

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

**STILLWATER SCHOOL DISTRICT NO. 16  
PAYNE COUNTY, OKLAHOMA  
SCHEDULE OF STATUTORY, FIDELITY, AND HONESTY BONDS  
FOR THE YEAR ENDED JUNE 30, 2011**

Ann Caine – Superintendent

Employee Dishonesty Bond  
Western Surety Company – Policy No. 70743096  
\$100,000.00 Limit  
Effective July 1, 2010 to June 30, 2011

Phillip Storm – Treasurer

Employee Dishonesty Bond  
Western Surety Company - Policy No. 15534670  
\$100,000.00 Limit  
Effective: July 1, 2010 to June 30, 2011

Position Bonds  
Old Republic Surety Company – Policy No. POB1051244  
\$5,000.00 Limit  
Effective: October 3, 2010 to October 3, 2011

Annette Jones – Minutes Clerk

Old Republic Surety Company – Policy No. LPO913141  
\$5,000.00 Limit  
Effective October 1, 2010 to October , 2011

**INTERNAL CONTROL AND COMPLIANCE REPORTS**



**PUTNAM & COMPANY, PLLC**  
CERTIFIED PUBLIC ACCOUNTANTS  
169 S.E. 32<sup>ND</sup>  
EDMOND, OKLAHOMA 73013  
(405) 348-3800  
Fax (405) 348-7965

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. 16  
Payne County, Oklahoma

We have audited the accompanying fund type and account group financial statements of Stillwater School District No. 16, Payne County, Oklahoma, as of and for the year ended June 30, 2011, and have issued our report thereon dated November 16, 2011. The report on these financial statements are adverse with respect to the presentation of financial statements in conformity with accounting principles generally accepted in the United States of America because the Districts has elected to prepare its financial statements in conformity with accounting and financial reporting regulations prescribed 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 District's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A *control deficiency* 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the District's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the District's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not 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 financial reporting that we consider to be material weaknesses, as defined above.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether 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*.

We noted certain matters that we reported to management of District in a separate letter dated November 16, 2011.

This report is intended solely for the information and use of the School Board, management, federal awarding agencies, pass-through entities, all applicable state agencies, and those other Governments from which financial assistance was received, and is not intended to be, and should not be, used by anyone other than these specified parties.

  
Putnam & Company, PLLC

Edmond, Oklahoma  
November 16, 2011

**PUTNAM & COMPANY, PLLC**  
CERTIFIED PUBLIC ACCOUNTANTS  
169 S.E. 32<sup>ND</sup>  
EDMOND, OKLAHOMA 73013  
(405) 348-3800  
Fax (405) 348-7965

Report on Compliance with Requirements Applicable to Each Major Program  
and Internal Controls over Compliance In Accordance with  
*Office of Management and Budget Circular A-133*

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

***Compliance***

We have audited the compliance of Example Entity with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2011. 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 District's management. Our responsibility is to express an opinion on District'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 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 of District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2011.

***Internal Control Over Compliance***

The management of the District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the District'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 the internal control over compliance in accordance with OMB Circular A-133.

A *control deficiency* 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the District's internal control.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A *material weakness* is a condition in

which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the School Board, management, federal awarding agencies, pass-through entities, all applicable state agencies, and those other Governments from which financial assistance was received, and is not intended to be, and should not be, used by anyone other than these specified parties.

*Putnam & Company*  
Putnam & Company, PLLC

Edmond, Oklahoma  
November 16, 2011

## **SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**STILLWATER SCHOOL DISTRICT NO. 16  
PAYNE COUNTY, OKLAHOMA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2011**

**Section I – Summary of Auditors’ Results**

***Financial Statements***

Type of auditors’ report issued: Qualified due to regulatory basis presentation.

Internal control over financial reporting:

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

Noncompliance material to financial statement noted?        Yes   X   No

***Federal Awards***

Internal control over major programs:

\* Material weakness(es) identified?        Yes   X   No  
 \* Significant Deficiency(ies) identified not considered to be material weakness(es)?        Yes   X   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 section 510 (a) of OMB Circular A-133?        Yes   X   No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
84.010	Title I, Part A
84.027	IDEA Flowthrough, Early Intervening, Individuals with Disabilities, Discretionary
84.391	IDEA Flowthrough – ARRA
84.394	Foundation & Salary Incentive – ARRA
84.410	Education Jobs
10.550, 10.553, 10.555, 10.559	Food Service

Dollar threshold used to distinguish between type A and type B programs \$300,000

Auditee qualified as low-risk auditee?        Yes   X   No

**STILLWATER SCHOOL DISTRICT NO. 16  
PAYNE COUNTY, OKLAHOMA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2011**

**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**



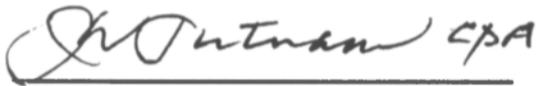
Stillwater School District No. 16  
Payne County, Oklahoma

Schedule of Accountants' Professional Liability Insurance Affidavit  
For the Year Ending June 30, 2011


STATE OF OKLAHOMA )  
 ) ss  
County of Oklahoma )

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 School District No. 16 for the audit year 2010-2011.

Putnam & Company, PLLC



Subscribed and sworn to before me on this 16<sup>th</sup> day of November, 2011.  
My commission expires on 4<sup>th</sup> day of June, 2015.

  
Notary Public  
Commission No. 03003504



**MANAGEMENT LETTER AND COMMENTS**

**PUTNAM & COMPANY, PLLC**  
CERTIFIED PUBLIC ACCOUNTANTS  
169 S.E. 32ND  
EDMOND, OKLAHOMA 73013  
(405) 348-3800  
fax (405) 348-7965

November 16, 2011

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

We have audited financial statements of Stillwater School District No. 16, Payne County, Oklahoma, as of and for the year ended June 30, 2011, as listed in the table of contents, and have issued our report thereon dated November 16, 2011. 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 16, 2011 on the financial statements of Stillwater School District No. 16.

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

**STILLWATER SCHOOL DISTRICT NO. 16  
PAYNE COUNTY, OKLAHOMA  
MANAGEMENT LETTER COMMENTS  
FOR THE YEAR ENDED JUNE 30, 2011**

**PRIOR YEAR'S COMMENTS AND RECOMMENDATIONS**

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

**CURRENT YEAR'S COMMENTS AND RECOMMENDATIONS**

**REVIEW OF PURCHASE ORDERS AND PAYMENTS**

Our review of the purchase orders indicated that in almost every instance the purchase orders were properly approved and supported with adequate documentation. However, we noted the following findings during our review:

<b><u>Findings</u></b>	<b><u>No. of Instances</u></b>
Did Not Sign For Goods/Services	11
No Non-Kickback Affidavit Attached	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 during our review:

<b><u>Findings</u></b>	<b><u>No. of Instances</u></b>
Invoice Date Before P.O. Date	2
Incomplete Documentation	1
Paid Interest Charges	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.