

**ANNUAL FINANCIAL REPORT**  
**BOWRING SCHOOL DISTRICT NO. C-7**  
**OSAGE COUNTY, OKLAHOMA**  
**JULY 1, 2023 TO JUNE 30, 2024**

**AUDITED BY**  
**Patten & Odom, CPAs, PLLC**

**BOWRING SCHOOL DISTRICT NO. C-7  
OSAGE COUNTY, OKLAHOMA  
SCHOOL DISTRICT OFFICIALS  
JUNE 30, 2024**

Board of Education

|                |               |
|----------------|---------------|
| President      | John Strom    |
| Vice-President | Rhonda Kohnle |
| Clerk          | Ginger Chinn  |

Superintendent of Schools

Nicole Hinkle

School District Treasurer

Melissa Stoy

**BOWRING SCHOOL DISTRICT NO. C-7  
OSAGE COUNTY, OKLAHOMA  
JUNE 30, 2024**

TABLE OF CONTENTS

|   | Page |
|---|------|
| Report of Independent Auditor .....   | 1    |
| Combined Financial Statements   |      |
| Combined Statement of Assets, Liabilities and Fund Balances –<br>All Fund Types and Account Groups – Regulatory Basis .....   | 4    |
| Combined Statement of Revenues Collected, Expenditures Paid<br>and Changes in Fund Balances – All Governmental Fund Types<br>Regulatory Basis .....   | 5    |
| Combined Statement of Revenues Collected, Expenditures Paid<br>and Changes in Fund Balances – Budget and Actual – Regulatory Basis<br>General Fund and Special Revenue Fund .....                     | 6    |
| Notes to the Financial Statements .....   | 7    |
| Combining Financial Statements  |      |
| Combining Statement of Assets, Liabilities and Fund<br>Balances – All Special Revenue Funds – Regulatory Basis .....  | 16   |
| Combining Statement of Revenues Collected, Expenditures Paid<br>and Changes in Fund Balances – All Special Revenue Funds<br>Regulatory Basis .....  | 17   |
| Combining Statement of Assets, Liabilities and Fund<br>Balances – Capital Project Fund – Regulatory Basis .....   | 18   |
| Combining Statement of Revenues Collected, Expenditures Paid<br>and Changes in Fund Balances – Capital Project Fund -<br>Regulatory Basis .....   | 19   |
| Combining Statement of Assets, Liabilities and Fund Balances –<br>Fiduciary Fund – Regulatory Basis .....   | 20   |
| Supplemental Information  |      |
| Budgetary Comparison Schedule – Regulatory Basis<br>Building Fund.....  | 21   |
| Schedule of Expenditures of Federal Awards .....  | 22   |
| Notes to the Schedule of Expenditures of Federal Awards .....   | 23   |
| School Activity Fund – Receipts, Transfers, Disbursements<br>and Sub-account Balances .....   | 24   |
| Reports Required by <i>Government Auditing Standards</i>  |      |
| Independent Auditor’s Financial Reporting and on Compliance and Other<br>Matters Based on an Audit of Financial Statements Performed in Accordance<br>With <i>Government Auditing Standards</i> ..... | 25   |

(continued)

**BOWRING SCHOOL DISTRICT NO. C-7  
OSAGE COUNTY, OKLAHOMA  
JUNE 30, 2024**

**TABLE OF CONTENTS**

|   | Page |
|---|------|
| Summary of Prior Audit Findings .....                                     | 27   |
| Schedule of Comments .....  | 28   |
| Schedule of Accountant's Professional Liability Insurance Affidavit ..... | 29   |

# Patten & Odom, CPAs, PLLC

2101 N. Willow Ave.  
Broken Arrow, OK 74012  
Phone Number 918.250.8838  
FAX Number 918.250.9853

---

## INDEPENDENT AUDITOR'S REPORT

March 25, 2025

The Honorable Board of Education  
Bowring School District No. C-7  
Osage County, Oklahoma

### ***Opinions***

We have audited the accompanying combined fund type and account group financial statements – regulatory basis of Bowring School District No. C-7, Osage County, Oklahoma, as of and for the year ended June 30, 2024, and the related notes to the financial statements, as listed in the table of contents.

### ***Qualified Opinion on Regulatory Basis of Accounting***

In our opinion, except for the effects of the matter described in the “Basis for Qualified Opinion on Regulatory Basis of Accounting” paragraph, the financial statements referred to in the first paragraph present fairly, in all material respects, the assets, liabilities, and fund balances arising from regulatory basis transactions of each fund type and account group of Bowring School District No. C-7, Osage County, Oklahoma, as of June 30, 2024, and the revenues collected and expenditures paid and encumbered for the year then ended on the regulatory basis of accounting described in the Note 1 (C).

### ***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to in the first paragraph do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Bowring School District No. C-7, Osage County, Oklahoma as of June 30, 2024, or the revenues, expenses, and changes in financial position for the year then ended.

### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibility under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Bowring School District No. C-7, Osage County, Oklahoma, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Basis for Qualified Opinion on Regulatory Basis of Accounting***

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

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

As discussed in Note 1 (C) to the financial statements, the financial statements are prepared by the Bowring School District No. C-7 Osage County, Oklahoma, on the basis of the financial reporting provisions of the Oklahoma State Department of Education, which a basis of accounting other than accounting principles generally accepted in the United States of America to comply with requirements of the Oklahoma State Department of Education. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 (C) and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

### ***Responsibilities of Management for the Financial Statements***

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

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bowring School District No. C-7, Osage County, internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Bowring School District No. C-7, Osage County, Oklahoma's ability to continue as a going concern for a reasonable period of time.

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

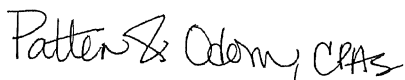
### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the fund type and account group financial statements within the combined financial statements. The combining fund statements-regulatory basis, and other schedules as listed in the table of contents, under supplementary information, are presented for purposes of additional analysis and are not a required part of the combined financial statements of the District. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Oklahoma State Department of Education and is also not a required part of the basic financial statements.

The combining financial statements-regulatory basis, and other schedules as listed in the table of contents, under supplementary information and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting records used to prepare the combined financial statements. Such 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 other additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information including the Schedule of Expenditures of Federal Awards are 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 1 (C).

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 25, 2025, on our consideration of Bowring School District No. C-7, Osage County, Oklahoma, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Patten & Odom, CPAs, PLLC  
Broken Arrow, OK

## **COMBINED FINANCIAL STATEMENTS**



**BOWRING SCHOOL DISTRICT NO. C-7**  
**COMBINED STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES**  
**ALL FUND TYPES AND ACCOUNT GROUPS - REGULATORY BASIS**  
**JUNE 30, 2024**

|  | Governmental Fund Types |                     |                    |                     | Fiduciary<br>Fund Types | Account<br>Groups          | Total<br>(Memorandum<br>Only) |
|--|-------------------------|---------------------|--------------------|---------------------|-------------------------|----------------------------|-------------------------------|
|  | General                 | Special<br>Revenue  | Capital<br>Project | Debt Service        | Trust and<br>Agency     | General Long-<br>Term Debt | June 30, 2024                 |
| <b>ASSETS</b>  |                         |                     |                    |                     |                         |                            |                               |
| Cash   | \$ 80,921.58            | \$ 70,696.73        | \$ 286.63          | \$ 44,336.56        | \$ 26,102.99            | \$ -                       | \$ 222,344.49                 |
| Investments  | -                       | -                   | -                  | -                   | -                       | -                          | -                             |
| Amounts available in debt service fund                             | -                       | -                   | -                  | -                   | -                       | 44,336.56                  | 44,336.56                     |
| Amounts to be provided for retirement<br>of general long-term debt | -                       | -                   | -                  | -                   | -                       | 155,663.44                 | 155,663.44                    |
| <b>Total assets</b>  | <b>\$ 80,921.58</b>     | <b>\$ 70,696.73</b> | <b>\$ 286.63</b>   | <b>\$ 44,336.56</b> | <b>\$ 26,102.99</b>     | <b>\$ 200,000.00</b>       | <b>\$ 422,344.49</b>          |
| <b>LIABILITIES AND FUND BALANCES</b>                               |                         |                     |                    |                     |                         |                            |                               |
| <b>Liabilities:</b>  |                         |                     |                    |                     |                         |                            |                               |
| Outstanding warrants   | \$ 39,444.71            | \$ 1,784.21         | \$ -               | \$ -                | \$ 135.00               | \$ -                       | \$ 41,363.92                  |
| Encumbrances   | -                       | -                   | -                  | -                   | -                       | -                          | -                             |
| Long-term debt:  |                         |                     |                    |                     |                         |                            |                               |
| Capitalized lease obligations payable                              | -                       | -                   | -                  | -                   | -                       | -                          | -                             |
| Bonds payable  | -                       | -                   | -                  | -                   | -                       | 200,000.00                 | 200,000.00                    |
| Interest payable   | -                       | -                   | -                  | -                   | -                       | -                          | -                             |
| <b>Total liabilities</b>   | <b>\$ 39,444.71</b>     | <b>\$ 1,784.21</b>  | <b>\$ -</b>        | <b>\$ -</b>         | <b>\$ 135.00</b>        | <b>\$ 200,000.00</b>       | <b>\$ 241,363.92</b>          |
| <b>Fund Balances</b>   |                         |                     |                    |                     |                         |                            |                               |
| Designated for capital projects                                    | \$ -                    | \$ -                | \$ 286.63          | \$ -                | \$ -                    | \$ -                       | \$ 286.63                     |
| Designated for debt service  | -                       | -                   | -                  | 44,336.56           | -                       | -                          | 44,336.56                     |
| Cash fund balances   | 41,476.87               | 68,912.52           | -                  | -                   | 25,967.99               | -                          | 136,357.38                    |
| <b>Total fund balances</b>   | <b>\$ 41,476.87</b>     | <b>\$ 68,912.52</b> | <b>\$ 286.63</b>   | <b>\$ 44,336.56</b> | <b>\$ 25,967.99</b>     | <b>\$ -</b>                | <b>\$ 180,980.57</b>          |
| <b>Total liabilities and fund balances</b>                         | <b>\$ 80,921.58</b>     | <b>\$ 70,696.73</b> | <b>\$ 286.63</b>   | <b>\$ 44,336.56</b> | <b>\$ 26,102.99</b>     | <b>\$ 200,000.00</b>       | <b>\$ 422,344.49</b>          |

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

**BOWRING SCHOOL DISTRICT NO. C-7**  
**COMBINED STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID AND CHANGES IN FUND BALANCES**  
**ALL GOVERNMENTAL FUND TYPES - REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2024**

|  | Governmental Fund Types |                     |                    |                     | Total<br>(Memorandum<br>Only) |
|--|-------------------------|---------------------|--------------------|---------------------|-------------------------------|
|  | General                 | Special<br>Revenue  | Capital<br>Project | Debt Service        | June 30, 2024                 |
| <b>Revenues collected:</b>   |                         |                     |                    |                     |                               |
| Local sources  | \$ 475,931.20           | \$ 79,707.04        | \$ -               | \$ 61,992.36        | \$ 617,630.60                 |
| Intermediate sources   | 22,076.75               | -                   | -                  | -                   | 22,076.75                     |
| State sources  | 351,531.89              | 3.14                | -                  | -                   | 351,535.03                    |
| Federal sources  | 151,872.81              | -                   | -                  | -                   | 151,872.81                    |
| Non-revenue sources  | 3,238.71                | -                   | -                  | -                   | 3,238.71                      |
| <b>Total revenues collected</b>  | <b>\$ 1,004,651.36</b>  | <b>\$ 79,710.18</b> | <b>\$ -</b>        | <b>\$ 61,992.36</b> | <b>\$ 1,146,353.90</b>        |
| <b>Expenditures paid:</b>  |                         |                     |                    |                     |                               |
| Instruction  | \$ 562,576.61           | \$ 2,098.53         | \$ -               | \$ -                | \$ 564,675.14                 |
| Support services   | 395,582.87              | 72,229.77           | -                  | -                   | 467,812.64                    |
| Non-instructional services   | 78,412.28               | -                   | -                  | -                   | 78,412.28                     |
| Capital outlay   | -                       | -                   | -                  | -                   | -                             |
| Other outlays  | -                       | -                   | -                  | -                   | -                             |
| Other uses   | -                       | -                   | -                  | -                   | -                             |
| Repayments   | -                       | -                   | -                  | -                   | -                             |
| Debt service:  |                         |                     |                    |                     |                               |
| Principal retirement   | -                       | -                   | -                  | 65,000.00           | 65,000.00                     |
| Interest   | -                       | -                   | -                  | 7,950.00            | 7,950.00                      |
| <b>Total expenditures paid</b>   | <b>\$ 1,036,571.76</b>  | <b>\$ 74,328.30</b> | <b>\$ -</b>        | <b>\$ 72,950.00</b> | <b>\$ 1,183,850.06</b>        |
| Excess of revenues collected over (under)<br>expenses paid before adjustments to<br>prior year encumbrances      | \$ (31,920.40)          | \$ 5,381.88         | \$ -               | \$ (10,957.64)      | \$ (37,496.16)                |
| <b>Adjustments to prior year encumbrances</b>  | <b>\$ 179.46</b>        | <b>\$ -</b>         | <b>\$ -</b>        | <b>\$ -</b>         | <b>\$ 179.46</b>              |
| Other financing sources (uses):  |                         |                     |                    |                     |                               |
| Bond sale proceeds   | \$ -                    | \$ -                | \$ -               | \$ -                | \$ -                          |
| Operating transfers in/(out)   | -                       | -                   | -                  | -                   | -                             |
| Bank charges   | -                       | -                   | -                  | -                   | -                             |
| <b>Total other financing sources (uses)</b>  | <b>\$ -</b>             | <b>\$ -</b>         | <b>\$ -</b>        | <b>\$ -</b>         | <b>\$ -</b>                   |
| Excess (deficiency) of revenue collected<br>over (under) expenditures paid and other<br>financing sources (uses) | \$ (31,740.94)          | \$ 5,381.88         | \$ -               | \$ (10,957.64)      | \$ (37,316.70)                |
| <b>Fund balances, beginning of year</b>  | <b>\$ 73,217.81</b>     | <b>\$ 63,530.64</b> | <b>\$ 286.63</b>   | <b>\$ 55,294.20</b> | <b>\$ 192,329.28</b>          |
| <b>Fund balances, end of year</b>  | <b>\$ 41,476.87</b>     | <b>\$ 68,912.52</b> | <b>\$ 286.63</b>   | <b>\$ 44,336.56</b> | <b>\$ 155,012.58</b>          |

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

**BOWRING SCHOOL DISTRICT NO. C-7**  
**COMBINED STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**BUDGETED GOVERNMENTAL FUND TYPES - REGULATORY BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2024**

|   | General Fund           |                        |                        | Special Revenue Fund |                      |                     |
|---|------------------------|------------------------|------------------------|----------------------|----------------------|---------------------|
|   | Original<br>Budget     | Final Budget           | Actual                 | Original<br>Budget   | Final Budget         | Actual              |
| <b>Revenues collected:</b>  |                        |                        |                        |                      |                      |                     |
| Local sources   | \$ 424,018.12          | \$ 424,018.12          | \$ 475,931.20          | \$ 60,589.93         | \$ 60,589.93         | \$ 79,707.04        |
| Intermediate sources  | 18,409.54              | 18,409.54              | 22,076.75              | -                    | -                    | -                   |
| State sources   | 459,448.16             | 459,448.16             | 351,531.89             | -                    | -                    | 3.14                |
| Federal sources   | 227,802.54             | 227,802.54             | 151,872.81             | -                    | -                    | -                   |
| Non-revenue sources   | -                      | -                      | 3,238.71               | -                    | -                    | -                   |
| <b>Total revenues collected</b>   | <b>\$ 1,129,678.36</b> | <b>\$ 1,129,678.36</b> | <b>\$ 1,004,651.36</b> | <b>\$ 60,589.93</b>  | <b>\$ 60,589.93</b>  | <b>\$ 79,710.18</b> |
| <b>Expenditures paid:</b>   |                        |                        |                        |                      |                      |                     |
| Instruction   | \$ 627,189.50          | \$ 627,189.50          | \$ 562,576.61          | \$ 19,216.95         | \$ 19,216.95         | \$ 2,098.53         |
| Support services  | 540,447.11             | 540,447.11             | 395,582.87             | 104,903.62           | 104,903.62           | 72,229.77           |
| Non-instructional services  | 35,252.55              | 35,252.55              | 78,412.28              | -                    | -                    | -                   |
| Capital outlay  | -                      | -                      | -                      | -                    | -                    | -                   |
| Other outlays   | 7.01                   | 7.01                   | -                      | -                    | -                    | -                   |
| Other Uses  | -                      | -                      | -                      | -                    | -                    | -                   |
| Repayment   | -                      | -                      | -                      | -                    | -                    | -                   |
| <b>Total expenditures paid</b>  | <b>\$ 1,202,896.17</b> | <b>\$ 1,202,896.17</b> | <b>\$ 1,036,571.76</b> | <b>\$ 124,120.57</b> | <b>\$ 124,120.57</b> | <b>\$ 74,328.30</b> |
| Excess of revenues collected over (under)<br>expenses paid before adjustments to prior<br>year encumbrances | \$ (73,217.81)         | \$ (73,217.81)         | \$ (31,920.40)         | \$ (63,530.64)       | \$ (63,530.64)       | \$ 5,381.88         |
| <b>Adjustments to prior year encumbrances</b>   | <b>\$ -</b>            | <b>\$ -</b>            | <b>\$ 179.46</b>       | <b>\$ -</b>          | <b>\$ -</b>          | <b>\$ -</b>         |
| <b>Other financing sources (uses):</b>  |                        |                        |                        |                      |                      |                     |
| Operating transfers in/out  | \$ -                   | \$ -                   | \$ -                   | \$ -                 | \$ -                 | \$ -                |
| Bank Charges  | -                      | -                      | -                      | -                    | -                    | -                   |
| <b>Total other financing sources (uses)</b>   | <b>\$ -</b>            | <b>\$ -</b>            | <b>\$ -</b>            | <b>\$ -</b>          | <b>\$ -</b>          | <b>\$ -</b>         |
| Excess (deficiency) of revenue collected<br>over expenditures paid and other<br>financing sources (uses)    | \$ (73,217.81)         | \$ (73,217.81)         | \$ (31,740.94)         | \$ (63,530.64)       | \$ (63,530.64)       | \$ 5,381.88         |
| <b>Fund balance, beginning of year</b>  | <b>\$ 73,217.81</b>    | <b>\$ 73,217.81</b>    | <b>\$ 73,217.81</b>    | <b>\$ 63,530.64</b>  | <b>\$ 63,530.64</b>  | <b>\$ 63,530.64</b> |
| <b>Fund balance, end of year</b>  | <b>\$ -</b>            | <b>\$ -</b>            | <b>\$ 41,476.87</b>    | <b>\$ -</b>          | <b>\$ -</b>          | <b>\$ 68,912.52</b> |

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

## **NOTES TO THE FINANCIAL STATEMENTS**

**BOWRING SCHOOL DISTRICT NO. C-7  
OSAGE COUNTY, OKLAHOMA  
NOTES TO THE FINANCIAL STATEMENTS – REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2024**

**1. Summary of Significant Accounting Policies**

The accompanying financial statements of the Bowring School District No. C-7 (the “District”) conform to the regulatory basis of accounting, which is another comprehensive basis of accounting prescribed by the Oklahoma State Department of Education and conforms to the system of accounting authorized by the State of Oklahoma. Accordingly, the accompanying financial statements are not intended to present financial position and results of operations in conformity with accounting principles generally accepted in the United States of America. The District’s accounting policies are described in the following notes that are an integral part of the District’s financial statements.

**A. Reporting Entity**

The District is a corporate body for public purposes created under Title 70 of the Oklahoma Statutes and, accordingly, is a separate entity for operating and financial reporting purposes. The District is part of the public school system of Oklahoma under the general direction and control of the State Board of Education and is financially dependent on the State of Oklahoma. 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. These statements present only the activities of the District.

**B. Measurement Focus**

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.

A fund is an independent accounting entity with a self-balancing set of accounts. The account groups are financial reporting devices designed to provide accountability for certain assets and liabilities that are not recorded directly in the funds.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate “fund types.” The District has the following fund types and account groups:

**Governmental Funds**

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 project funds), and the servicing of general long-term debt (debt service funds). Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. All governmental type funds are accounted for using the Regulatory (Statutory) basis of accounting. All revenues from all sources, including property taxes, entitlements, grants, and shared revenues are recognized when they are received, rather than earned. Expenditures are generally recognized when encumbered or reserved, rather than at the time the related liability is incurred. Unmatured interest for debt service is recognized when due and certain compensated absences and claims and judgments are recognized when the obligations are expected to be liquidated with expendable, available financial resources. Fiduciary type funds are accounted for using the regulatory basis of accounting. These practices differ from accounting principles generally accepted in the United States of America.

**BOWRING SCHOOL DISTRICT NO. C-7  
OSAGE COUNTY, OKLAHOMA  
NOTES TO THE FINANCIAL STATEMENTS – REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2024**

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

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 local property taxes and federal and state funding. Expenditures include all costs associated with the daily operations of the schools, except for programs funded for building repairs and maintenance, school construction and debt service on bonds and other long-term debt. The general fund includes federal and state restricted monies that must be expended for specific programs. The District's cafeteria operations are reported as part of the general fund.

Special Revenue Fund – The special revenue funds are used for proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

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

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.

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 and interest. The primary revenue sources are local property taxes levied specifically for debt service and interest earnings from temporary investments.

**Fiduciary Funds**

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.

Agency Funds – 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, for 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.

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 maintain the information necessary to include this group in its combined financial statements.

**BOWRING SCHOOL DISTRICT NO. C-7  
OSAGE COUNTY, OKLAHOMA  
NOTES TO THE FINANCIAL STATEMENTS – REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2024**

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

**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 are recorded as assets when purchased.
- Warrants payable are recorded as liabilities when issued.
- Long-term debt is recorded when incurred.
- Compensated absences are recorded as an expenditure when the obligation is paid.
- Fixed assets are recorded in the general Fixed Asset Account Group. Fixed assets are not depreciated.

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.

**D. Budgets and Budgetary Accounting**

Prior to July 1 each year, the governing board of the school district prepares a verified application showing the needs of the school district and submits the application to the County Excise Board, who makes temporary appropriations for lawful current expenses of the school district. The temporary appropriations are merged with the annual appropriations when the annual budget for the school district is finally approved.

Prior to October 1 each year, the school Board of Education must make a financial statement, showing the true fiscal condition of the school as of the close of the previous fiscal year ended June 30, along with an itemized statement of estimated needs and probable income from all sources for the fiscal year.

A budget is legally adopted by the Board of Education for the general fund and special revenue fund(s) of the school district.

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

**E. Assets, Liabilities and Fund Equity**

**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 on the aggregation of this data.

Cash – Cash consists of currency and checks on hand and demand deposit accounts with banks and other financial institutions.

**BOWRING SCHOOL DISTRICT NO. C-7  
OSAGE COUNTY, OKLAHOMA  
NOTES TO THE FINANCIAL STATEMENTS – REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2024**

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

Investments – State statutes govern the District’s investment policy. Permissible investments include direct obligations of the United States Government and Agencies; certificates of deposit of savings and loan associations, and bank and trust companies; and savings accounts or savings certificates of savings and loan associations, and trust companies. Collateral is required for demand deposits and certificates of deposit for all amounts not covered by federal deposit insurance. Investments are stated at cost.

Inventories – Inventories consist of minimal amounts of expendable supplies held for consumption. The value of consumable inventories at year-end is not material to the District’s financial statements. The costs of inventories are recorded as expenditures when encumbered and purchased, rather than when consumed.

Compensated Absences – Vested or accumulated vacation leave that is expected to be liquidated with expendable, available financial resources are reported as 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.

No liability is recorded for non-vesting accumulating rights to receive such pay benefits.

Fixed Assets – The District has not maintained a record of its general fixed assets, and, accordingly, a General Fixed Asset Account Group is not included in the financial statements. General fixed assets purchased are recorded as expenditures in the various funds at the time of purchase.

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 are 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.

Cash Fund Balance – Cash fund balance represents the funds not encumbered by purchase order, legal contracts, and outstanding warrants.

**F. Revenues, Expenses and Expenditures**

Local Revenues – Revenue from local sources is revenue produced within the school district, which includes ad valorem taxes. It is available for current educational expenses and for other purposes authorized by the school board.

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. The county treasurer must commence tax collection within fifteen days of receipt of the tax rolls. The first half of the tax is due prior to January 1. The second half is due prior to April 1.

If the first payment is not made timely, the entire tax becomes due and payable on January 2. Second half taxes become delinquent on April 1 of the year following the year of assessment. If taxes delinquent and unpaid for a period of three (3) years or more the real estate may be sold for such taxes.

Intermediate Revenues – Revenue from intermediate sources is revenue from funds collected by an intermediate administrative unit or political sub-division, such as a county or municipality, and redistributed to the school district.

State Revenues – Revenue 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.

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.



**BOWRING SCHOOL DISTRICT NO. C-7  
OSAGE COUNTY, OKLAHOMA  
NOTES TO THE FINANCIAL STATEMENTS – REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2024**

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

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.

Federal Revenues – Revenue from Federal sources is money originating from the Federal government and made available to the school district either as direct grants or under various programs passed-through the State Department of Education or other state agencies.

The Federal government also makes payments to school districts whose revenues are adversely affected by the presence of Federal activities. Although these payments are made in consideration of lost property tax revenue, the Oklahoma State Department of Education advocates classifying such amounts as revenue from Federal sources.

Instruction Expenditures – Instruction expenditures include the activities dealing directly with the interaction between teachers and students. Teaching may be provided for students in a school classroom, in another location, such as a home or hospital, and in other learning situations, such as those involving co-curricular activities. It may also be provided through some other approved medium, such as television, radio, telephone and correspondence. Examples of expenditures that might be included here are the activities of teacher assistants of any type (clerks, graders, teaching machines, etc.), which assist in the instructional process. The activities of tutors, translators, and interpreters would be recorded here. Department chairpersons who teach for any portion of time are included here. Tuition/transfer fees paid to other LEAs would be included here.

Support Services Expenditures – Support services expenditures provide administrative, technical (such as guidance and health) and logistical support to facilitate and enhance instruction. These services exist as adjuncts for fulfilling the objective of instruction, community services and enterprise programs, rather than as entities within them.

Operation of Non-Instructional Services Expenditures – Activities concerned with providing non-instructional services to students, staff, and the community.

Facilities Acquisition and Construction Services Expenditures – Consist of activities involved with the acquisition of land and buildings; remodeling buildings; the construction of buildings and additions to buildings; initial installation or extension of service systems and other built-in equipment; and improvement to sites.

Other Outlays Expenditures – A number of outlays of governmental funds are not properly classified as expenditures, but still require budgetary or accounting control. These are classified as Other Outlays. These include debt service payments (principal and interest).

Other Uses Expenditures – This includes scholarships provided by private gifts and endowments; student aid and staff awards supported by outside revenue sources (i.e., foundations). Also, expenditures for self-funded employee benefit programs administered either by the District or a third party administrator.

Repayment Expenditures – Repayment expenditures represent checks/warrants issued to outside agencies for refund or restricted revenue previously received for overpayments, non-qualified expenditures, and other refunds to be repaid from District funds.

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 expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers.

**BOWRING SCHOOL DISTRICT NO. C-7  
OSAGE COUNTY, OKLAHOMA  
NOTES TO THE FINANCIAL STATEMENTS – REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2024**

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

**Budgetary Information**

Under current Oklahoma Statutes, a formal Estimate of Needs (Budget) is required for all General and Special Revenue 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.

The annual Estimate of Needs, when approved by the Board and subsequently filed with the County Clerk and approved by the County Excise Board, becomes the legal budget. Supplemental appropriations, if required, were made during the year and are reflected on the budget vs. actual presentations shown included in supporting schedules.

**2. Deposit Categories of Credit Risk**

Collateral is required for demand deposits and certificates of deposit for all amounts not covered by federal deposit insurance. The District's investment policies are governed by state statute. Permissible investments include:

1. Direct obligations of the United States Government to the payment of which the full faith and credit of the government is pledged.
2. Obligations to the payment of which the full faith and credit of the state is pledged.
3. Certificates of deposits of banks when such certificates of deposits are secured by acceptable collateral as in the deposit of other public monies.
4. Savings accounts or savings certificates of savings and loan associations to the extent that such accounts or certificates are fully insured by the Federal Savings and Loan Insurance Corporation.
5. Repurchase agreements that have underlying collateral consisting of those items specified in paragraphs 1 and 2 of this section including obligations of the United States, its agencies and instrumentalities, and where collateral has been deposited with a trustee of custodian bank in an irrevocable trust or escrow account established for such purposes.
6. County, municipal or school district direct debt obligations for which an ad valorem tax may be levied or bond and revenue anticipation notes, money judgments against such county, municipality or school district ordered by a court of record or bonds or bond and revenue anticipation notes issued by a public trust for which such county, municipality or school district is a beneficiary thereof. All collateral pledged to secure public funds shall be valued at no more than market value.
7. Money market mutual funds regulated by the Securities and Exchange Commission and which investments consist of obligations of the United States, its agencies and instrumentalities, and investments in those items listed above.
8. Warrants, bonds or judgments of the school district.
9. Qualified pooled investment programs, the investments of which consist of those items specified above, as well as obligations of the United States agencies and instrumentalities, regardless of the size of the district's budget. To be qualified, a pooled investment program for school funds must be governed through an Interlocal cooperative agreement formed pursuant to Title 70 Section 5-117b, and the program must competitively select its investment advisors and other professionals. Any pooled investment program must be approved by the Board of Education.

**BOWRING SCHOOL DISTRICT NO. C-7  
OSAGE COUNTY, OKLAHOMA  
NOTES TO THE FINANCIAL STATEMENTS – REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2024**

**Deposit Categories of Credit Risk (continued)**

The District's investment policy instructs the treasurer to minimize risks by diversifying the investment portfolio; structuring investments so that securities mature in time to meet cash requirements; and by investing the full amount of all accounts of the District.

**Custodial Credit Risk:**

Deposits and Investments - The District's demand deposits are required by law to be collateralized by the amount that is not federally insured.

Securities pledged as collateral are held by a third party or Federal Reserve Bank. Joint custody safekeeping receipts are held in the name of the depositing institution but are pledged to the District. The security cannot be released, substituted, or sold without the School Treasurer's approval and release of the security.

As of June 30, 2024, the District had no deposits exposed to custodial credit risk.

**Interest Rate Risk:**

Investments are made based upon prevailing market conditions at the time of the transaction with the intent to hold the instrument until maturity. However, the District has no formal written policy addressing interest rate risk.

**Credit Risk:**

The District has no formal written policy addressing credit risk.

At June 30, 2024, the District has no investments.

**3. 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.

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

A brief description of the outstanding general obligation bond issues at June 30, 2024, is set forth below:

|   | <u>Amount<br/>Outstanding</u> |
|---|-------------------------------|
| School District No. C-7 Combined Purpose Bonds,<br>Series 2022, original issue<br>\$265,000.00, interest rate of 3.00%,<br>first installment of \$65,000.00 due on May 1, 2024,<br>annual installments of \$65,000.00 due thereafter, and<br>final payment of \$70,000.00 due on May 1, 2027. | \$ <u>200,000.00</u>          |
| Total Bonds Outstanding   | \$ <u><u>200,000.00</u></u>   |

**BOWRING SCHOOL DISTRICT NO. C-7  
OSAGE COUNTY, OKLAHOMA  
NOTES TO THE FINANCIAL STATEMENTS – REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2024**

**General Long-Term Debt (continued)**

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

| Year ending<br>June 30, | Principal     | Interest     | Total         |
|-------------------------|---------------|--------------|---------------|
| 2025                    | 65,000.00     | 6,000.00     | 71,000.00     |
| 2026                    | 65,000.00     | 4,050.00     | 69,050.00     |
| 2027                    | 70,000.00     | 2,100.00     | 72,100.00     |
| Total                   | \$ 200,000.00 | \$ 12,150.00 | \$ 212,150.00 |

**4. Employee Retirement System**

Description of Plan

The District participates in the state-administered Oklahoma Teachers' Retirement System, which is a cost sharing, multiple-employer defined benefit public employee retirement system (PERS), which is administered by the Board of Trustees of the Oklahoma Teachers' Retirement System (the "System"). The System provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Title 70 Section 17 of the Oklahoma Statutes establishes benefit provisions and may be amended only through legislative action.

The Oklahoma Teachers' Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Oklahoma Teachers' Retirement System, P.O. Box 53624, Oklahoma District, OK 73152 or by calling 405-521- 2387.

Basis of Accounting

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

Funding Policy

The District, the State of Oklahoma, and the participating employees make contributions. The contribution rates for the District and its employees are established by and may be amended by Oklahoma Statutes. The rates are not actuarially determined. The rates are applied to the employee's earnings plus employer-paid fringe benefits. The required contribution for the participating members is 7.0% of compensation. Additionally, OTRS receives "federal matching contributions" for positions whose funding comes from federal sources or certain grants. The District and State are required to contribute 14.0% of applicable compensation. Contributions received by the System from the State of Oklahoma are from 3.54% of its revenues from sales tax use taxes, corporate income taxes and individual income taxes. The District contributed 9.5% and the State of Oklahoma plus the federal contribution contributed the remaining 4.5% during this year. The District is allowed by the Oklahoma Teachers' Retirement System to make the required contributions on behalf of the participating members. The school is required to pay 16.5% for any compensated retired teachers already receiving retirement benefits.

**BOWRING SCHOOL DISTRICT NO. C-7  
OSAGE COUNTY, OKLAHOMA  
NOTES TO THE FINANCIAL STATEMENTS – REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2023**

**Employee Retirement System (continued)**

Annual Pension Cost

The District's total contributions for 2024, 2023 and 2022 were \$52,799.78, \$57,078.64, and \$54,994.53, respectively. The District's total payroll for fiscal year 2023-2024 amounted to \$605,594.85.

GASB Statement 68 became effective for fiscal years beginning after June 15, 2014, and significantly changes pension accounting and financial reporting for governmental employers who participate in a pension plan, such as the System, and who prepare published financial statements on an accrual basis using Generally Accepted Accounting Principles. Since the District does not prepare and present their financial statements on an accrual basis, the net pension amount is not required to be presented on the audited financial statements.

**5. Litigation**

The District is contingently liable for lawsuits and other claims in the ordinary course of its operations. The settlement of such contingencies under the budgetary process would require appropriation of revenues yet to be realized, and would not materially affect the financial position of the District at June 30, 2024.

**6. Risk Management**

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

**7. Surety Bonds**

The District maintains a Public Official Position Schedule Bond with Western Surety Company / CNA Surety, bond number 68535641, for the following positions. The bond runs continuously and was in effect for fiscal year 2024.

|                            |             |
|----------------------------|-------------|
| Encumbrance Clerk          | \$ 5,000.00 |
| Minutes Clerk              | \$ 3,000.00 |
| Secretary                  | \$ 3,000.00 |
| Custodian of Activity Fund | \$ 4,000.00 |

The District has a Public Official Position Schedule Bond for the Superintendent and the Treasurer with Western Surety Company. The bond number is 71880286, for the sum of \$100,000.00 each and runs continually until cancelled. The bond runs continuously and was in effect for fiscal year 2024.

## **COMBINING FINANCIAL STATEMENTS**

BOWRING SCHOOL DISTRICT NO. C-7  
 COMBINING STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES  
 ALL SPECIAL REVENUE FUNDS - REGULATORY BASIS  
 JUNE 30, 2024

|  | <u>Building Fund</u>                  |
|--|---------------------------------------|
| <b><u>ASSETS:</u></b>                            |                                       |
| Cash   | \$ 70,696.73                          |
| Investments                                      | <u>-</u>                              |
| <b>Total assets</b>                              | <b>\$ <u><u>70,696.73</u></u></b>     |
| <br><b><u>LIABILITIES AND FUND BALANCES:</u></b> |                                       |
| <b>Liabilities:</b>                              |                                       |
| Outstanding warrants                             | \$ 1,784.21                           |
| Encumbrances                                     | <u>-</u>                              |
| <b>Total liabilities</b>                         | <b>\$ <u>1,784.21</u></b>             |
| <b>Fund balances:</b>                            |                                       |
| Cash fund balances                               | \$ <u>68,912.52</u>                   |
| Total fund balances                              | \$ <u><u>68,912.52</u></u>            |
| <br><b>Total liabilities and fund balances</b>   | <br><b>\$ <u><u>70,696.73</u></u></b> |

**BOWRING SCHOOL DISTRICT NO. C-7  
COMBINING STATEMENT OF REVENUES COLLECTED, EXPENDITURES  
PAID AND CHANGES IN FUND BALANCES  
ALL SPECIAL REVENUE FUNDS - REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2024**

|   | <u><b>Building Fund</b></u> |
|---|-----------------------------|
| <b>Revenues collected:</b>  |                             |
| Local sources   | \$ 79,707.04                |
| Intermediate sources  | -                           |
| State sources   | 3.14                        |
| Federal sources   | -                           |
| <b>Total revenue collected</b>  | <b>\$ 79,710.18</b>         |
| <b>Expenditures paid:</b>   |                             |
| Instruction   | \$ 2,098.53                 |
| Support services  | 72,229.77                   |
| Non-instructional services  | -                           |
| Capital outlay  | -                           |
| Other outlays   | -                           |
| Other uses  | -                           |
| Repayments  | -                           |
| <b>Total expenditures paid</b>  | <b>\$ 74,328.30</b>         |
| Excess of revenues collected over (under)<br>expenses paid before adjustments to prior<br>year encumbrances | <b>\$ 5,381.88</b>          |
| <b>Adjustments to prior year encumbrances</b>   | <b>\$ -</b>                 |
| Other financing sources (uses):   |                             |
| Operating transfers in/(out)  | \$ -                        |
| Bank charges  | -                           |
| <b>Total other financing sources (uses)</b>   | <b>\$ -</b>                 |
| Excess of revenues and other sources over (under)<br>expenditures and other uses                            | <b>\$ 5,381.88</b>          |
| <b>Fund balances, beginning of year</b>   | <b>\$ 63,530.64</b>         |
| <b>Fund balances, end of year</b>   | <b>\$ 68,912.52</b>         |



BOWRING SCHOOL DISTRICT NO.C-7  
 COMBINING STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES  
 CAPITAL PROJECT FUND - REGULATORY BASIS  
 JUNE 30, 2024

|   | <u>Bond Fund 33</u>     |
|---|-------------------------|
| <b><u>ASSETS</u></b>                        |                         |
| <b>Assets:</b>                              |                         |
| Cash  | \$ 286.63               |
| Investments                                 | <u>-</u>                |
| <b>Total assets</b>                         | <b>\$ <u>286.63</u></b> |
| <b><u>LIABILITIES AND FUND BALANCES</u></b> |                         |
| <b>Liabilities:</b>                         |                         |
| Outstanding warrants                        | \$ -                    |
| Encumbrances                                | <u>-</u>                |
| <b>Total liabilities</b>                    | <b>\$ <u>-</u></b>      |
| <b>Fund balances:</b>                       |                         |
| Designated for capital projects             | \$ 286.63               |
| Undesignated                                | <u>-</u>                |
| <b>Total fund balances</b>                  | <b>\$ <u>286.63</u></b> |
| <b>Total liabilities and fund balances</b>  | <b>\$ <u>286.63</u></b> |

BOWRING SCHOOL DISTRICT NO. C-7  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
CAPITAL PROJECT FUND - REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2024

|  | <u>Bond Fund 33</u> |
|--|---------------------|
| <b>Revenues collected:</b>                     |                     |
| Local sources                                  | \$ -                |
| Intermediate sources                           | -                   |
| State sources                                  | -                   |
| Federal sources                                | -                   |
|  | <hr/>               |
| <b>Total revenues collected</b>                | \$ -                |
| <b>Expenditures paid:</b>                      |                     |
| Instruction                                    | \$ -                |
| Support services                               | -                   |
| Non-instructional services                     | -                   |
| Capital outlays                                | -                   |
| Other outlays                                  | -                   |
| Other uses                                     | -                   |
| Repayments                                     | -                   |
|  | <hr/>               |
| <b>Total expenditures paid</b>                 | \$ -                |
| Excess of revenues collected over (under)      |                     |
| expenditures                                   | \$ -                |
| <b>Adjustments to prior year encumbrances</b>  | \$ -                |
| <b>Other financing sources (uses):</b>         |                     |
| Bond sale proceeds                             | \$ -                |
| Operating transfers in/(out)                   | -                   |
| Bank charges                                   | -                   |
|  | <hr/>               |
| <b>Total other financing sources (uses)</b>    | \$ -                |
| Excess revenues and other sources over (under) |                     |
| expenditures and other uses                    | \$ -                |
| <b>Fund balances, beginning of year</b>        | \$ 286.63           |
| <b>Fund balances, end of year</b>              | \$ 286.63           |

### Agency Fund

## Activity Fund

|             |    |           |
|-------------|----|-----------|
| Cash        | \$ | 26,102.99 |
| Investments |    | -         |

|                     |                     |
|---------------------|---------------------|
| <b>Total assets</b> | \$ <u>26,102.99</u> |
|---------------------|---------------------|

|                      |    |        |
|----------------------|----|--------|
| Outstanding warrants | \$ | 135.00 |
| Encumbrances         |    | -      |

|                          |           |               |
|--------------------------|-----------|---------------|
| <b>Total liabilities</b> | <b>\$</b> | <b>135.00</b> |
|--------------------------|-----------|---------------|

|                   |              |
|-------------------|--------------|
| Cash fund balance | \$ 25,967.99 |
|-------------------|--------------|

|                           |                     |
|---------------------------|---------------------|
| <b>Total fund balance</b> | <b>\$ 25,967.99</b> |
|---------------------------|---------------------|

|   |                     |
|---|---------------------|
| <b>Total liabilities and fund balance</b> | <b>\$ 26,102.99</b> |
|---|---------------------|

## **SUPPLEMENTAL INFORMATION**

**BOWRING SCHOOL DISTRICT NO. C-7**  
**BUDGETARY COMPARISON SCHEDULE - REGULATORY BASIS**  
**SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2024**

|  | <b>BUILDING FUND</b>       |                      |                     |   |
|--|----------------------------|----------------------|---------------------|---|
|  | <b>Original<br/>Budget</b> | <b>Final Budget</b>  | <b>Actual</b>       | <b>Variance with<br/>Final Budget<br/>Favorable<br/>(Unfavorable)</b> |
| <b>Revenues collected:</b>   |                            |                      |                     |   |
| Local sources  | \$ 60,589.93               | \$ 60,589.93         | \$ 79,707.04        | \$ 19,117.11  |
| Intermediate sources   | -                          | -                    | -                   | -   |
| State sources  | -                          | -                    | 3.14                | 3.14  |
| Federal sources  | -                          | -                    | -                   | -   |
| <b>Total revenues collected</b>  | <b>\$ 60,589.93</b>        | <b>\$ 60,589.93</b>  | <b>\$ 79,710.18</b> | <b>\$ 19,120.25</b>   |
| <b>Expenditures paid:</b>  |                            |                      |                     |   |
| Instruction  | \$ 19,216.95               | \$ 19,216.95         | \$ 2,098.53         | \$ 17,118.42  |
| Support services   | 104,903.62                 | 104,903.62           | 72,229.77           | 32,673.85   |
| Non-instructional services   | -                          | -                    | -                   | -   |
| Capital outlay   | -                          | -                    | -                   | -   |
| Other Outlays  | -                          | -                    | -                   | -   |
| Other Uses   | -                          | -                    | -                   | -   |
| Repayment  | -                          | -                    | -                   | -   |
| <b>Total expenditures</b>  | <b>\$ 124,120.57</b>       | <b>\$ 124,120.57</b> | <b>\$ 74,328.30</b> | <b>\$ 49,792.27</b>   |
| Excess of revenues collected over (under)<br>expenses paid before adjustments to<br>prior year encumbrances      | \$ (63,530.64)             | \$ (63,530.64)       | \$ 5,381.88         | \$ 68,912.52  |
| <b>Adjustments to prior year encumbrances</b>  | <b>\$ -</b>                | <b>\$ -</b>          | <b>\$ -</b>         | <b>\$ -</b>   |
| <b>Other financing sources (uses):</b>   |                            |                      |                     |   |
| Operating transfers in/out   | \$ -                       | \$ -                 | \$ -                | \$ -  |
| Bank charges   | -                          | -                    | -                   | -   |
| <b>Total other financing sources (uses)</b>  | <b>\$ -</b>                | <b>\$ -</b>          | <b>\$ -</b>         | <b>\$ -</b>   |
| Excess (deficiency) of revenue collected<br>over (under) expenditures paid and other<br>financing sources (uses) | \$ (63,530.64)             | \$ (63,530.64)       | \$ 5,381.88         | \$ 68,912.52  |
| <b>Fund balance, beginning of year</b>   | <b>\$ 63,530.64</b>        | <b>\$ 63,530.64</b>  | <b>\$ 63,530.64</b> | <b>\$ -</b>   |
| <b>Fund balance, end of year</b>   | <b>\$ -</b>                | <b>\$ -</b>          | <b>\$ 68,912.52</b> | <b>\$ 68,912.52</b>   |

**BOWRING SCHOOL DISTRICT NO. C-7**  
**SCHEDULE OF FEDERAL AWARDS EXPENDED**  
**FOR THE YEAR ENDED JUNE 30, 2024**

| Federal Grantor/Pass-Through Grantor/<br>Program Title           | Federal<br>Assistance<br>Listing<br>Number | Grantor's<br>Number | Balance at<br>July 1, 2023 | Receipts             | Expenditures         | Balance at<br>June 30, 2024 |
|--|--|---------------------|----------------------------|----------------------|----------------------|-----------------------------|
| <b><u>U.S. Department of Education</u></b>                       |  |                     |                            |                      |                      |                             |
| <b>Direct Programs:</b>  |  |                     |                            |                      |                      |                             |
| Title VII, Impact Aid Operations                                 | 84.041                                     | S041A20243838       | \$ 6,385.53                | \$ 11,823.00         | \$ 11,506.00         | \$ 6,702.53                 |
| Small Rural School Achievement                                   | 84.358A                                    | S358A213209         | -                          | 693.12               | 693.12               | -                           |
| <b>Subtotal U.S Department of Education-Direct</b>               |  |                     | <b>\$ 6,385.53</b>         | <b>\$ 12,516.12</b>  | <b>\$ 12,199.12</b>  | <b>\$ 6,702.53</b>          |
| <b>Passed-Through State Department of Education</b>              |  |                     |                            |                      |                      |                             |
| Title I, Basic   | 84.010                                     | N/A                 | \$ (6,758.12)              | \$ 26,493.19         | \$ 26,313.32         | \$ (6,578.25)               |
| Title IV, School Support   | 84.424A                                    | N/A                 | (1,714.52)                 | 10,251.72            | 11,452.29            | (2,915.09)                  |
| OK School COVID 19 Prevention                                    | 93.323                                     | N/A                 | (30,853.02)                | 30,853.02            | -                    | -                           |
| COVID -19 ESSERF II/ CARES Act Formula                           | 84.425U                                    | N/A                 | (15,729.16)                | 15,729.16            | -                    | -                           |
| COVID -19 ESSER III/American Rescue Plan                         | 84.425D                                    | N/A                 | -                          | 4,844.25             | 5,958.53             | (1,114.28)                  |
| <b>Subtotal</b>  |  |                     | <b>\$ (55,054.82)</b>      | <b>\$ 88,171.34</b>  | <b>\$ 43,724.14</b>  | <b>\$ (10,607.62)</b>       |
| <b>Subtotal Passed-Through State<br/>Department of Education</b> |  |                     | <b>\$ (55,054.82)</b>      | <b>\$ 88,171.34</b>  | <b>\$ 43,724.14</b>  | <b>\$ (10,607.62)</b>       |
| <b><u>U. S. Department of Agriculture</u></b>                    |  |                     |                            |                      |                      |                             |
| <b>Passed-Through State Department of Education:</b>             |  |                     |                            |                      |                      |                             |
| <i>Child Nutrition Cluster</i>                                   |  |                     |                            |                      |                      |                             |
| <b>Non-Cash Assistance (Commodities):</b>                        |  |                     |                            |                      |                      |                             |
| National School Lunch Program                                    | 10.555                                     | N/A                 | \$ -                       | \$ 3,140.17          | \$ 3,140.17          | \$ -                        |
| <b>Non-Cash Assistance Subtotal</b>                              |  |                     | <b>\$ -</b>                | <b>\$ 3,140.17</b>   | <b>\$ 3,140.17</b>   | <b>\$ -</b>                 |
| <b>Cash Assistance:</b>  |  |                     |                            |                      |                      |                             |
| National School Lunch Program                                    | 10.555                                     | N/A                 | \$ 11,722.29               | \$ 28,806.93         | \$ 35,374.79         | \$ 5,154.43                 |
| School Breakfast Program   | 10.553                                     | N/A                 | 27,311.61                  | 16,019.41            | 18,950.31            | 24,380.71                   |
| Emergency Operation Cost Reimbursement                           | 10.555                                     | N/A                 | 3,398.59                   | -                    | 1,805.72             | 1,592.87                    |
| Commodity Credit Corporation, Supply Chain Assistance            | 10.555                                     | N/A                 | 488.73                     | 6,300.77             | 6,789.50             | -                           |
| <b>Child Nutrition Cluster Sub-Total</b>                         |  |                     | <b>\$ 42,921.22</b>        | <b>\$ 51,127.11</b>  | <b>\$ 62,920.32</b>  | <b>\$ 31,128.01</b>         |
| P-EBT Local Admin Funds  | 10.649                                     | N/A                 | 614.00                     | -                    | -                    | 614.00                      |
| <b>Child Nutrition Subtotal</b>                                  |  |                     | <b>\$ 43,535.22</b>        | <b>\$ 54,267.28</b>  | <b>\$ 66,060.49</b>  | <b>\$ 31,742.01</b>         |
| <b><u>Other Federal Assistance</u></b>                           |  |                     |                            |                      |                      |                             |
| Flood Control  | 12.112                                     | N/A                 | \$ (47.36)                 | \$ 58.24             | \$ -                 | \$ 10.88                    |
| <b>Subtotal</b>  |  |                     | <b>\$ (47.36)</b>          | <b>\$ 58.24</b>      | <b>\$ -</b>          | <b>\$ 10.88</b>             |
| <b>TOTAL FEDERAL ASSISTANCE</b>                                  |  |                     | <b>\$ (5,181.43)</b>       | <b>\$ 155,012.98</b> | <b>\$ 121,983.75</b> | <b>\$ 27,847.80</b>         |

The accompanying notes are an integral part of this schedule

**BOWRING SCHOOL DISTRICT NO. C-7  
OSAGE COUNTY, OKLAHOMA  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2024**

**A. Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the school under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of the Oklahoma State Department of Education. Because the Schedule presents only a selected portion of the operations of the school, it is not intended and does not present the financial position, changes in net assets, or cash flows of the school.

**B. Summary of Significant Accounting Policies**

Expenditures reported in the Schedule are reported on the regulatory basis of accounting consistent with the preparation of the combined financial states except for non-monetary assistance noted in Note C. The School has elected not to use the 10% de minimis indirect cost rate. None of the federal programs include any loan programs.

**C. Food Distribution**

Non-monetary assistance is reported in the Schedule at the fair market value of the commodities received and disbursed.

**BOWRING SCHOOL DISTRICT NO. C-7**  
**SCHOOL ACTIVITY FUND**  
**RECEIPTS, TRANSFERS, DISBURSEMENTS AND SUB-ACCOUNT BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2024**

| Activities       | Balance<br>7-1-23   | Deposited           | Net<br>Transfers/<br>Adjustments | Disbursed           | Balance<br>6-30-24  |
|------------------|---------------------|---------------------|----------------------------------|---------------------|---------------------|
| PTO              | \$ 3,925.68         | \$ 17,752.84        | \$ (169.00)                      | \$ 14,926.14        | \$ 6,583.38         |
| Lunch            | 50.00               | 2,453.71            | -                                | 2,453.71            | 50.00               |
| Athletic         | 9,524.33            | 9,017.41            | -                                | 8,014.22            | 10,527.52           |
| General Activity | 8,699.40            | 1,716.00            | 79.98                            | 5,574.16            | 4,921.22            |
| 8th Grade        | 18.01               | 3,656.95            | -                                | 3,424.55            | 250.41              |
| Pop              | 2,152.23            | 2,279.00            | -                                | 1,330.80            | 3,100.43            |
| Postage          | 121.03              | 760.00              | -                                | 396.00              | 485.03              |
| After School     | 50.00               | 785.00              | -                                | 785.00              | 50.00               |
| Velma            | 179.98              | -                   | (79.98)                          | 100.00              | -                   |
| Total Activities | <u>\$ 24,720.66</u> | <u>\$ 38,420.91</u> | <u>\$ (169.00)</u>               | <u>\$ 37,004.58</u> | <u>\$ 25,967.99</u> |



**REPORTS REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

# Patten & Odom, CPAs, PLLC

2101 N. Willow Ave.  
Broken Arrow, OK 74012  
Phone Number 918.250.8838  
FAX Number 918.250.9853

---

## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable Board of Education  
Bowring School District No. C-7  
Osage County, Oklahoma

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the accompanying fund type and account group financial statements-regulatory basis, within the combined financial statements of Bowring School District No. C-7, Osage County, Oklahoma (District), as listed in the Table of Contents, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's financial statements, and have issued our report thereon dated March 25, 2025, which was adverse with respect to the presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America because the presentation followed the regulatory basis of accounting for Oklahoma school districts and did not conform to the presentation requirements of the Governmental Accounting Standards Board. However, our report was qualified for the omission of the general fixed asset account group with respect to the presentation of financial statements on the regulatory basis of accounting authorized by the Oklahoma State Board of Education.

### Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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 immaterial instances of noncompliance that we have reported to management in the "Schedule of Comments" on page 28 of this report.

**Purpose of this Report**

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

*Patten & Odom, CPAs*

Patten & Odom, CPAs, PLLC  
Broken Arrow, OK  
March 25, 2025

**BOWRING SCHOOL DISTRICT NO. C-7  
OSAGE COUNTY, OKLAHOMA  
SUMMARY OF PRIOR AUDIT FINDINGS  
JULY 1, 2023 TO JUNE 30, 2024**

The summary of prior audit findings is required to report the status of all audit findings reported in the prior audit's schedule of findings and questioned costs relative to federal awards.

The school district had no prior year audit findings relative to federal award programs.

**BOWRING SCHOOL DISTRICT NO. C-7  
OSAGE COUNTY, OKLAHOMA  
SCHEDULE OF COMMENTS  
JULY 1, 2023 TO JUNE 30, 2024**

The following conditions represent areas noted during our review of the school's accounting system in which we feel improvements in internal control and/or operational efficiency may be attained. We have also noted, as required, any noncompliance with State Department of Education Regulations.

- \*I. **Condition:** Our review of Activity Fund sponsor receipts indicated that monies collected are not always deposited with the Activity Fund Custodian in a timely manner. Approximately 73% of receipts tested were not deposited timely.

**Recommendation:** The School Board should ensure that all monies are deposited with the Custodian by the end of the next business day if collections exceed \$100, or at least weekly if under \$100.

- II. **Condition:** During our purchase order testing, two vendors selected for testing did not have W9s on file and were not properly issued a 1099 as required by law for contract services paid in excess of an aggregate of \$600.00 to a non-employee individual and/or an unincorporated business during a calendar year.

**Recommendation:** IRS regulations require that all employers who make payments to individuals or companies that are not incorporated in excess of \$600.00 per year to issue a 1099 Statement to that individual or company. School personnel should track all contract payments and issue 1099's as required. In addition, the school should have a W-9 on file for each vendor.

Previous Year's Audit Comments

Other than the condition marked with an asterisk above, there are no other items in the 2022-2023 audit report, which have been repeated in this report.

We would like to express our appreciation for the courtesies and cooperation extended to us by school district administrators and employees during the course of this audit.

**BOWRING SCHOOL DISTRICT NO. C-7  
OSAGE COUNTY, OKLAHOMA  
SCHEDULE OF ACCOUNTANT'S PROFESSIONAL LIABILITY INSURANCE AFFIDAVIT  
JULY 1, 2023 TO JUNE 30, 2024**

State of Oklahoma )  
County of Tulsa )

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 Bowring School District for the audit year 2023-2024.

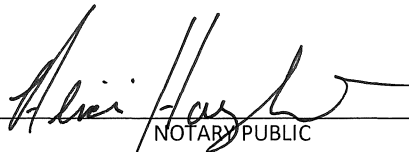
\_\_\_\_\_  
Patten & Odom, CPAs, PLLC  
AUDITING FIRM

BY

  
\_\_\_\_\_  
AUTHORIZED AGENT

Subscribed and sworn to before me on this

25<sup>th</sup> day of March, 2023

  
\_\_\_\_\_  
NOTARY PUBLIC

My commission expires on:

26<sup>th</sup> day of September, 2027

