

**ANNUAL FINANCIAL REPORT**  
**CHISHOLM TRAIL TECHNOLOGY CENTER NO. 26**  
**KINGFISHER COUNTY, OKLAHOMA**  
**JULY 1, 2022 TO JUNE 30, 2023**

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

**CHISHOLM TRAIL TECHNOLOGY CENTER NO. 26  
KINGFISHER COUNTY, OKLAHOMA  
SCHOOL CENTER OFFICIALS  
JUNE 30, 2023**

Board of Education

President	Jeff Hyatt
Vice-President	Rondi Andrews
Clerk	Debbie Biehler
Deputy Clerk	Loren Parham
Member	Dustin Brodrick

Superintendent of Schools

Kurt Thomas

School District Treasurer

Glenda Payne

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KINGFISHER COUNTY, OKLAHOMA  
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KINGFISHER COUNTY, OKLAHOMA  
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## INDEPENDENT AUDITOR'S REPORT

The Board of Education  
Chisholm Trail Technology Center No. 26  
Kingfisher County, Oklahoma

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Chisholm Trail Technology Center No. 26, Kingfisher County, Oklahoma (the Center), as of and for the year ended June 30, 2023, which collectively comprise the Center's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Center, as of June 30, 2023, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Bases for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of the Center, 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.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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 Center's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

Exercise professional judgment 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 Center's internal control. Accordingly, no such opinion is expressed.

Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Center's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with the 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.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of changes in the Center's total OPEB liability and related ratios, the schedule of the Center's proportionate share of the net pension liability—Oklahoma Teachers' Retirement System, the schedule of the Center's contributions to the Oklahoma Teachers' Retirement System, and the schedule of revenues, expenditures and changes in fund balance—budgetary and actual (budgetary basis)—budgeted governmental fund types—General Fund and Building Fund, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate, operational, economical, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Center’s basic financial statements. The schedule of revenues, expenditures and changes in fund balance—budget and actual (budgetary basis)—Budgetary Governmental Fund types for the General Fund and Building Fund, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of revenues, expenditures and changes in fund balance—budget and actual (budgetary basis)—Budgetary Governmental Fund types for the General Fund are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

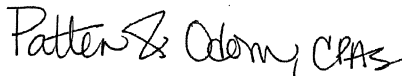
**Other Information**

Management is responsible for the other information included in this annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor’s report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express any opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, then we are required to describe it in our report.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 5, 2024, on our consideration of the Center’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Center’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 Center’s internal control over financial reporting and compliance.



Patten & Odom, CPAs, PLLC  
Broken Arrow, OK  
March 5, 2024

**MANAGEMENT DISCUSSION AND ANALYSIS**

**Management's Discussion and Analysis**  
**Chisholm Trail Technology Center**  
**Unaudited**

Chisholm Trail Technology Center is part of the public Career Tech system for Oklahoma, under the direction and control of the Oklahoma State Board of Career and Technology Education. The District is located in Omega, Oklahoma serving one main campus. The districts served are the former Hitchcock School District, Dover, Kingfisher, Lomega, Thomas-Fay-Custer and Watonga School Districts. The District encompasses parts of Blaine and Kingfisher counties. The major instructional programs are Business Management and Administration, Health Science, Cosmetology, Computer Repair and Networking, Automotive Technology, Cabinetmaker, Pre- Engineering and Welding.

This section of Chisholm Trail Technology Center's No. V-26 annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2023. Please read it in conjunction with the District's financial statements that immediately follow this section.

**FINANCIAL HIGHLIGHTS**

The District complies with reporting requirement under Governmental Accounting Standards Board (GASB) Statements 34, changing the format on the basic financial statements presented. Financial statements may be provided on an accrual, modified accrual, and budgetary basis.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction of the Chisholm Trail Technology Center No. V-26 basic financial statements. The District's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. These statements are organized so the reader can understand Chisholm Trail Technology Center as a financial whole; an entire operating entity.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the District's finances. While the document contains all funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2022-2023?"

The statement of net assets presents information on all of the District's assets and liabilities, with the difference between the two reported as net assets. Over time, the increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal period (e.g., uncollected taxes and local retirement package).

These two statements report the District's net assets and changes in those assets. This change in net assets is important because it tells the reader that, for the District as a whole, its financial position has improved or diminished. The causes of the change may be the result of many factors; some financial, some not. Non-financial factors include the District's property tax base, current property tax laws in Oklahoma restricting revenue growth, facility conditions, required educational programs, and other factors.

The government-wide financial statements can be found on pages 9-10.

**Management's Discussion and Analysis**  
Chisholm Trail Technology Center  
Unaudited

**Fund Financial Statements.** A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District are considered governmental funds.

Government Funds are used to account for essentially the same functions reported as government activities in the government-wide financial statements. However, unlike the government funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains the following governmental funds: (1) general fund, (2) building fund, and (3) fiduciary funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for these funds. The basic governmental fund financial statements can be found on pages 12 and 13 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. Notes to the financial statements begin on page 14.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information of the District.

**Management's Discussion and Analysis**  
Chisholm Trail Technology Center  
Unaudited

**Government-Wide Financial Analysis**

*Net position.* Recall that the Statement of Net Position provides the perspective of the District as a whole. See the following Schedule of Net Position.

Chisholm Trail Technology Center's Net Position

	<u>2023</u>
Current and other assets	\$ 13,575,491
Capital assets	<u>4,929,524</u>
Total assets	\$18,505,015
Deferred outflows	\$ 1,181,116
Long-term debt outstanding	3,547,955
Other liabilities	<u>188,619</u>
Total liabilities	\$ 3,736,574
Deferred inflows	326,801
Net position:	
Invested in capital assets, net of debt	5,020,524
Restricted	2,661,154
Unrestricted	<u>7,941,078</u>
Total net position	\$ 15,622,756

**Management's Discussion and Analysis**  
**Chisholm Trail Technology Center**  
**Unaudited**

**Change in Net Position.** In the current fiscal year, the District's net position for governmental activities increased by \$1,618,010. of which resulted from revenues exceeding expenditures.

Changes in Chisholm Trail Technology Center's Net Position

	<u>2023</u>
Revenues	
Program revenues:	
Charges for services	\$ 132,815
Grants and reimbursements	217,863
General revenues	
Property taxes	4,273,010
State entitlement	1,346,264
Investment earning	<u>352,788</u>
Total revenues	\$ 6,222,887
Expenses	
Program expenses:	
Instruction	1,456,493
Support services	2,583,129
Non-instruction services	40,577
Facilities acquisition	--
Other outlays, uses and repayments	535,221
Depreciation-unallocated	<u>340,134</u>
Total expenses	\$ 4,955,555
Increase in net position	\$ 1,618,010



**Management's Discussion and Analysis**  
Chisholm Trail Technology Center  
Unaudited

**Activity Funds.** FY23 closed activity funds with a balance of \$108,178.99 while FY22 yielded a fund balance of \$81,241.99. Some activity accounts within this fund are cleared (all tuition, textbooks, material and fees, enrollment fees, general fund refund, miscellaneous, petty cash and surplus auction) at the end of each fiscal year and are re-established at the beginning of the new fiscal year, with such actions, plans, and changes for funds' use coming before the Board of Education for review and approval.

**Factors Bearing on the District's Future**

The District has consistently maintained a strong year-end fund balance. The Board of Education and administration at Chisholm Trail Technology Center is confident that with careful financial planning and prudent fiscal management, we can continue to provide a quality education for our students and a secure financial future for the Chisholm Trail Technology Center.

**Contacting the School District's Financial Management**

This financial report is designed to provide our citizen's taxpayers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. Questions about this report or additional information may be received by contacting the administrative office, Chisholm Trail Technology Center, 283 State Hwy 33, Omega, OK 73764.

Kurt Thomas  
Superintendent  
Chisholm Trail Technology Center

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**CHISHOLM TRAIL TECHNOLOGY CENTER NO. 26**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2023**

	Governmental Activities
<b><u>ASSETS</u></b>	
Cash	\$ 11,473,754
Investments	789,000
Property taxes receivable	1,165,148
Miscellaneous receivable	-
Tuition and Books	-
Interest receivable	-
Due from other governments	-
Prepaid insurance	36,823
Capital assets	
Land	91,000
Construction in process	-
Other capital assets, net of accumulated depreciation	4,929,524
Net OPEB asset	19,766
 Total Assets	 \$ 18,505,015
<b><u>DEFERRED OUTFLOW OF RESOURCES</u></b>	
Deferred amounts of resources related to pensions	1,161,334
Deferred amounts of resources related to OPEB	19,782
Total deferred outflows of resources	\$ 1,181,116
<b><u>LIABILITIES</u></b>	
Current liabilities	
Accounts payable	\$ 143,064
Compensated Absences - current	45,555
Total current liabilities	\$ 188,619
Non-current liabilities	
Compensated absences	\$ 68,344
Net pension liability	3,479,611
Total non-current liabilities	3,547,955
Total Liabilities	\$ 3,736,574
<b><u>DEFERRED INFLOW OF RESOURCES</u></b>	
Deferred amounts of resources related to pensions	\$ 317,440
Deferred amounts of resources related to OPEB	9,361
Total deferred inflow of resources	\$ 326,801
<b><u>NET POSITION</u></b>	
Net Investment in Capital Assets	\$ 5,020,524
Restricted for Building	2,552,975
Unrestricted	7,941,078
Restricted for Student Organizations	108,179
Total Net Position	\$ 15,622,756

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

**CHISHOLM TRAIL TECHNOLOGY CENTER NO. 26  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2023**

	Program Revenues				Net (Expenses) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Government Activities
<b>Governmental Activities:</b>					
Instruction	\$ (1,456,493)	\$ 132,815	\$ 217,863	\$ -	\$ (1,105,815)
Support Services-Instructional	(1,340,785)	-	-	-	(1,340,785)
Support Services-Operational	(1,242,344)	-	-	-	(1,242,344)
Non-Instructional	(40,577)	-	-	-	(40,577)
Capital Outlay	(286,391)	-	-	-	(286,391)
Other Outlays	(53,662)	-	-	-	(53,662)
Other Uses	(195,168)	-	-	-	(195,168)
Repayments	-	-	-	-	-
Depreciation - Unallocated	(340,134)	-	-	-	(340,134)
<b>Governmental Activities</b>	<b>\$ (4,955,555)</b>	<b>\$ 132,815</b>	<b>\$ 217,863</b>	<b>\$ -</b>	<b>\$ (4,604,877)</b>

**General revenues**

**Taxes:**

Property taxes, levied for general purposes	\$ 4,266,997
Other Taxes	6,013

**Federal and State aid not restricted to specific purposes:**

General	1,332,957
Other	13,307

Interest and investment earnings 352,788

Miscellaneous 250,825

Total general revenues \$ 6,222,887

Changes in net position \$ 1,618,010

Net position - beginning 14,004,746

Net position - ending \$ 15,622,756

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

**BASIC FINANCIAL STATEMENTS**

**CHISHOLM TRAIL TECHNOLOGY CENTER NO. 26**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2023**

	General Fund	Building Fund	Activity Fund	Total Governmental Funds
<b>ASSETS</b>				
Cash	\$ 9,106,177	\$ 2,259,398	\$ 108,179	\$ 11,473,754
Investments	540,000	249,000	-	789,000
Property taxes receivable	971,384	193,764	-	1,165,148
Interest receivable	-	-	-	-
Miscellaneous receivable	-	-	-	-
Due from other governments	36,823	-	-	36,823
Prepaid insurance	-	-	-	-
Inventory	-	-	-	-
<b>Total assets</b>	<b>\$ 10,654,384</b>	<b>\$ 2,702,162</b>	<b>\$ 108,179</b>	<b>\$ 13,464,725</b>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 128,960	\$ 14,104	\$ -	\$ 143,064
Compensated absences-current	45,555	-	-	45,555
<b>Total liabilities</b>	<b>174,515</b>	<b>14,104</b>	<b>-</b>	<b>188,619</b>
Deferred inflows of resources:				
Deferred property taxes	666,571	135,083	-	801,654
<b>Total deferred inflow of resources</b>	<b>666,571</b>	<b>135,083</b>	<b>-</b>	<b>801,654</b>
Fund balances:				
Non-spendable Fund Balances:				
<i>Prepaid Items</i>	-	-	-	-
Restricted Fund Balances:				
<i>Restricted by Statute</i>	-	2,491,215	108,179	2,599,394
Assigned Fund Balances:				
<i>Encumbrances</i>	1,763,948	61,760	-	1,825,708
<i>Other Assigned Fund Balances</i>	-	-	-	-
Unassigned	8,049,350	-	-	8,049,350
<b>Total Fund Balances</b>	<b>9,813,298</b>	<b>2,552,975</b>	<b>108,179</b>	<b>12,474,452</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 10,654,384</b>	<b>\$ 2,702,162</b>	<b>\$ 108,179</b>	

**Amounts reported for governmental activities in the statement of net position, are different because:**

Capital assets used in governmental activities are not financial resources and therefore, are not reported as assets in governmental funds. The cost of the assets is \$9,289,559 and the accumulated depreciation is \$4,269,035	5,020,524
Long term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds balance sheet. Long term liabilities consist of: <div style="text-align: right; margin-left: 200px;">Compensated Absence</div>	(68,344)
Property taxes receivable will be collected this year, but are not available soon enough to pay current period's expenditures, therefore they are deferred in the funds.	801,654
Net pension obligations are not due and payable in the current period and therefore, are not reported in funds.	(3,479,611)
Net OPEB asset is not a financial resource, therefore not reported in funds	19,766
Deferred outflows and inflows of resources related to pensions and OPEB are applicable to future periods and therefore, are not reported in funds.	854,315
Net Position of Governmental Activities	<b>\$ 15,622,756</b>

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

**CHISHOLM TRAIL TECHNOLOGY CENTER NO. 26  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>General Fund</u>	<u>Building Fund</u>	<u>Activity Fund</u>	<u>Total Governmental Funds</u>
Revenues:				
Local sources	\$ 4,412,455	\$ 755,967	\$ 212,772	\$ 5,381,194
Intermediate sources	-	-	-	-
State sources	1,509,248	11	-	1,509,259
Federal sources	60,881	-	-	60,881
	<u>5,982,584</u>	<u>755,978</u>	<u>212,772</u>	<u>6,951,334</u>
Total revenues	\$	\$	\$	\$
Expenditures:				
Instructional	\$ 1,538,583	\$ -	\$ -	\$ 1,538,583
Support Services:	2,504,384	118,553	-	2,622,937
Non-instructional	40,577	-	-	40,577
Capital Outlay	286,361	272,423	-	558,784
Other Outlays	53,663	-	-	53,663
Other Uses	9,333	-	185,835	195,168
Repayments	-	-	-	-
	<u>4,432,901</u>	<u>390,976</u>	<u>185,835</u>	<u>5,009,712</u>
Total expenditures	\$	\$	\$	\$
Excess of revenues over (under) expenditures	\$ <u>1,549,683</u>	\$ <u>365,002</u>	\$ <u>26,937</u>	\$ <u>1,941,622</u>
Other Financing Sources/Uses				
Operating transfers in/(out)	-	-	-	-
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources of funds over (under) expenditures	\$ <u>1,549,683</u>	\$ <u>365,002</u>	\$ <u>26,937</u>	\$ <u>1,941,622</u>
Fund balance, beginning of year	\$ <u>8,263,615</u>	\$ <u>2,187,973</u>	\$ <u>81,242</u>	\$ <u>10,532,830</u>
Fund balance, end of year	\$ <u><u>9,813,298</u></u>	\$ <u><u>2,552,975</u></u>	\$ <u><u>108,179</u></u>	\$ <u><u>12,474,452</u></u>

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

**CHISHOLM TRAIL TECHNOLOGY CENTER NO. 26  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES,  
FOR THE YEAR ENDED JUNE 30, 2023**

Net change in fund balances - governmental funds \$ 1,941,622

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which capital outlays exceeds depreciation in the period.

Capital outlay expenditures	\$	372,155	
Depreciation expense		(340,134)	
		32,021	

Some expenses (compensated absences) reported in the Statement of Activities do not require the use of current financial resources; therefore, are not reported as expenditures in governmental funds. (19,636)

Property taxes receivable will be collected this year, but are not available soon enough to pay current period's expenditures, therefore they are deferred in the funds. (377,769)

Governmental funds report district pension contributions as expenditures. However, the Statement of Activities reports the cost of pension benefits earned net of employee contributions as pension expense. 41,772

Change in Net Position of Governmental Activities \$ 1,618,010

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



**NOTES TO THE FINANCIAL STATEMENTS**

**CHISHOLM TRAIL TECHNOLOGY CENTER NO. 26  
KINGFISHER COUNTY, OKLAHOMA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
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**1. Summary of Significant Accounting Policies**

The financial statements of the Chisholm Trail Technology Center School District No. 26 (the "Center") have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") as applied to government units. The governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Center's accounting policies are described below.

**A. Reporting Entity**

In accordance with the Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity," the Center has presented the entities, which comprise the primary government in the fiscal year 2021 basic financial statements.

The Center 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 Center 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 for support. The general operating authority for the public school system is the Oklahoma School Code contained in Title 70, Oklahoma Statutes.

The governing body of the Center is the Board of Education composed of five elected members. The appointed superintendent is the executive officer of the Center.

As required by accounting principles generally accepted in the United States of America, the basic financial statements present the reporting entity which consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion could cause the Center's basic financial statements to be misleading or incomplete.

**B. Basis of Presentation**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the Center. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: 1) tuition or fees paid by students or citizens of the Center and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items, including state aid, that are not properly included among program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

**Fund Financial Statements**

The Technology Center segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Statements for governmental activities present each fund as a separate column on the fund financial statements.

Governmental funds are used to account for all or most of a government's general activities. The measurement focus of governmental funds is on the sources uses and balance of current financial resources. The Center has presented the following governmental funds:

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**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 state and local property taxes and state funding under Formula Operations.

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.

Special Revenue Fund – The Center’s Building Fund is a Special Revenue Fund and consists of monies derived from property taxes levied for the purpose of creating, remodeling or repairing buildings and for purchasing furniture and equipment.

**Fiduciary Fund Types**

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the Center. When these assets are held under the terms of a formula trust agreement, either a private purpose trust fund or a permanent fund is used.

The terms “permanent” and “private purpose” refer to whether or not the Center is under an obligation to maintain the trust principal. Agency funds generally are used to account for assets that the Center holds on behalf of others as their agent and do not involve measurement of results of operations.

The Center’s Fiduciary Funds have been excluded from the government-wide financial statements.

Agency Fund – The Center’s Agency Fund consists of the Activity Fund. The Center’s Activity fund is used to account for monies collected that are held on behalf of others as their agent and do not involve the measurement of results of operations. The administration is responsible under the authority of the Board, for collecting, disbursing and accounting for these funds.

**Account Groups**

GASB Statement No. 34 eliminates the presentation of account groups but provides for these records to be maintained and incorporates the information into the governmental column in the government-wide statement of net position.

C. Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Property taxes and interest and certain state and federal grants associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

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

D. Budgets and Budgetary Accounting

A budget is legally adopted by the Board of Education for the General Fund and Special Revenue Fund that includes revenues and expenditures.

These budgets are prepared on a budgetary basis of accounting. Budgetary control is maintained by fund, function, and activity and budgeted expenditures may not exceed appropriations at the fund level. Amendments may be made to the budget without approval by the governing body at the function and activity levels. Fund level budgetary amendments require approval of the governing body.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting – under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable fund balance – is utilized in all governmental funds of the Center. Appropriations which are not spent lapse at the end of the fiscal year and encumbrances are reversed. On the first day of the following fiscal year, the encumbrances are reinstated, and the expenditures are applied against that year's budget.

E. Net Position and Fund Balances

The government-wide financial statements utilize a net position presentation. Net position is categories of investment in fixed assets (net of related debt), restricted net position and unrestricted net position.

Net Investment in Capital Assets – is intended to reflect the portion of net position which are associated with non-liquid capital related debt. The net related debt is debt less the outstanding liquid assets and any associated unamortized cost.

Restricted Net Position – are liquid assets generated from revenues and not bond proceeds, which have third party (statutory bond covenant or granting agency) limitations on their use. The Center would typically use restricted net assets first, as appropriate opportunities arise, but reserve the right to selectively defer the use thereof to a future project or replacement equipment acquisition.

Unrestricted Net Position – represents unrestricted liquid assets.

Governmental Fund Financial Statements – The Center has adopted Governmental Accounting Standards Board Statement No. 54, which redefined how fund balances of the governmental funds are presented in the financial statements. The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Center is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications available in the governmental fund financial statements are as follows:

Non-Spendable – Amounts that are not in a spendable form such as prepaid expenses or are required to be maintained intact such as the corpus of permanent fund.

Restricted – The Building Fund is restricted by statute to certain capital related costs. Amounts constrained to specific purposes by their providers such as creditors, grantors, or imposed by law through constitutional provisions or enabling legislation.

Committed – The Center commits a portion of the accrual basis fund balance to honor the commitments made by the Center for encumbrances (purchase orders) for which goods or services have not yet been received. The fund balance committed for encumbrances will be equivalent of the purchase orders rolled forward from the old year to the new year. The Director of Finance will determine the balance of committed fund balance as a part of the accrual conversion for the audit.

Amounts that are constrained by a government itself using its highest level of decision-making authority (Board of Education); to be reported as committed, amounts cannot be used for any purpose unless the government takes the same highest-level action (vote of Board of Education) to remove or change the constraint. Action to constrain resources should occur before the end of the fiscal year.

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

Assigned – The Center has assigned a portion of fund balance in both the General and Building Fund for funding the cash flow needs during the first half of each fiscal year. The collection of property taxes occurs mainly in December through March. This creates a temporary cash flow deficit during the first part of each fiscal year. The assigned fund balance is used to finance this temporary cash flow deficit. The Treasurer and Director of Finance will determine the amount of assigned fund balance at the end of the fiscal year.

Unassigned - Fund balance represents the funds not restricted in use by statute nor encumbered by purchase orders or legal contracts. Amounts that are available for any purpose; these amounts are reported only in the General Fund.

**F. Assets, Liabilities and Cash Fund Balances**

Cash – The Center considers all cash on hand, demand deposits and investments to be cash. Investments consist of direct obligations of the United States Government and Agencies. All investments are recorded at cost, which approximates market value.

Property Tax Revenue and Receivables – The Center is authorized by state law to levy property taxes which consist of ad valorem taxes on real and personal property within the Center. The County Assessor, upon receipt of the certification of tax levies from the county excise board, extends the tax levies on the tax roll for submission to the county treasurer prior to October 1. The county treasurer must commence tax collection within fifteen days of receipt of the tax rolls. The first half of taxes 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. The second half of taxes becomes delinquent on April 1 of the year following the year of assessment. If taxes are delinquent and unpaid for a period of three (3) years or more the real estate may be sold for taxes.

Uncollected taxes assessed on valuations made each year are recorded in the Center’s combined financial statements. Uncollectible personal and real property taxes are deemed to be immaterial because the property can be sold for the amount of taxes due.

Inventories – The cost of consumable materials and supplies on hand are immaterial to the financial statements, and the Center has therefore chosen to report these items as expenditures/expenses at the time of purchase.

Capital Assets – Capital assets, which include property, plant and equipment, are reported in government-wide financial statements.

All purchased capital assets are valued at cost when historical records exist and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their fair market value on the day donated.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Assets capitalized have an original cost of \$5,000 or more. Depreciation has been calculated using the straight-line method over the following useful lives:

Buildings and structures	25-40 years
Improvements	7-40 years
Equipment & Machinery	7-25 years

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

Repairs, remodeling and construction costing \$25,000 or more has been capitalized and depreciated over the estimated useful life.

Compensated Absences – The Center’s policy regarding vacation time permits employees to accumulate earned, but unused, vacation leave. The liability for these compensated absences is recorded as long-term debt in the government-wide statements. The current portion of this debt is estimated based on historical trends. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable, available financial resources.

The Center will provide one day of sick leave per month of duty contract. The right to such leave shall vest at the beginning of the contract period. The maximum number of days of accumulated sick leave that may be carried forward from one contract year to the next shall be one hundred twenty days. Unused sick leave is paid when the employee retires if they have been employed by the Center for ten years or more and have a minimum of thirty days accrued.

Employees of the Center receive varying amounts of vacation depending on the number of months contracted each year and the years of service completed with the Center. The maximum annual leave that may accumulate and carry forward to the next calendar year is 5 days. Upon termination of employment, unused vacation may be paid to the employee upon approval of the Board of Education.

Long-Term Debt – Long-term debt is recognized as a liability of the applicable governmental activities statement on net assets.

Fund Equity – Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use.

G. Revenue, Expenses and Expenditures

Revenues are classified by source as follows:

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

Intermediate – Revenue from intermediate sources is revenue from funds collected by an intermediate administrative unit or political sub-division, like a county or municipality, and redistributed to the Technology Center.

State – Those revenues received from the State, which are dedicated or are appropriated by the State legislature. Some of this aid is restricted for specific purposes.

The Center receives revenue from the state to administer certain categorical educational programs. State Board of Education rules require that revenue earmarked for these programs be expended only for the program for which the money is provided and require that the money not expended as of the close of the fiscal year be carried forward into the following year to be expended for the same categorical programs. The State Department of Career & Technology Education requires that categorical educational program revenues be accounted for in the general fund.

Federal – Revenue from Federal sources is money originating from the Federal government and made available to the Technology Center either as direct grants or under various programs passed through the State Department of Career & Technology Education.

Expenditures are classified by function as follows:

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

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.

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 Center funds.

Deferred Outflows of Resources: Deferred outflows are the consumption of net position by the school district that are applicable to a future reporting period. At June 30, 2023, the school district's deferred outflows of resources were comprised of deferred outflows related to pensions and deferred outflows related to OPEB.

Deferred Inflows of Resources: Deferred inflows are the acquisition of net position by the school district that are applicable to a future reporting period. At June 30, 2023, the school district deferred inflows of resources were comprised of deferred inflows related to pensions and deferred inflows related to OPEB.

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

**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 Center'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 Technology Center 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 Technical Center 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 Technology Center 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 Technology Center.
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 Center'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.
10. The Center's investment policy directs the Treasurer to place primary emphasis on safety and liquidity of any investments. All investments must be designed to maximize yield within the class of investment instrument, consistent with safety of the funds invested.



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

Custodial Credit Risk:

Deposits and Investments - The Center's demand deposits are required by law to be collateralized by the amount that is not federally insured. The Center has a written investment policy, which permits investments as authorized by State Statute.

Certificates of deposit are collateralized at least by the amount not federally insured.

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 Center has no formal written policy addressing interest rate risk.

Credit Risk:

The Center has no formal written policy addressing credit risk.

**3. Use of Estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**4. Accounts Receivable**

Accounts receivable of the governmental activities consist of Ad Valorem tax, miscellaneous local, State grants, and Federal grant programs. Receivables detail by fund at June 30, 2023, is as follows:

Accounts Receivable	General Fund	Building Fund
Ad Valorem Tax	\$ 971,384	\$ 193,764
Due from Local Sources	-	-
Due from Other Governments	<u>36,823</u>	<u>-</u>
Gross receivables	1,008,207	193,764
Less: deferred taxes	<u>666,571</u>	<u>135,083</u>
Net Receivables	\$ <u>341,636</u>	\$ <u>58,681</u>

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**5. Capital Assets**

A Summary of changes in general fixed assets for the year ended June 30, 2023, follows:

**Capital Assets**

A summary of changes in general fixed assets for the year ended June 30, 2023, follows:

	Balance <u>July 1, 2022</u>	<u>Additions</u>	<u>Adjustments</u>	<u>Retirements</u>	Balance <u>June 30, 2023</u>
Land	\$ 91,000	\$ -	\$ -	\$ -	\$ 91,000
Construction in Progress	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets Not Being Depreciated	\$ <u>91,000</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>91,000</u>
<u>Capital Assets Being Depreciated</u>					
Building & Improvements	\$ 7,495,389	\$ 296,505	\$ -	\$ -	\$ 7,791,894
Furniture, Fixtures & Equipment	743,562	67,319	-	-	810,881
Automobiles	<u>587,453</u>	<u>8,331</u>	<u>-</u>	<u>-</u>	<u>595,784</u>
Total Capital Assets Being Depreciated	\$ 8,826,404	\$ 372,155	\$ -	\$ -	\$ 9,198,559
Less:					
Accumulated Depreciation	\$ <u>3,928,901</u>	\$ <u>340,134</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>4,269,035</u>
Total Capital Assets Being Depreciated - Net	\$ <u>4,897,503</u>	\$ <u>32,021</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>4,929,524</u>
Total Capital Assets Net	\$ <u><u>4,988,503</u></u>	\$ <u><u>32,021</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>5,020,524</u></u>

The District did not allocate depreciation expense to expenditure functions for the year ended June 30, 2023.

**6. Interfund Transactions**

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

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**7. 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.

Annual Pension Cost

The Center's total contributions for 2023, 2022, and 2021 were \$405,802, \$378,397.00, and \$367,218.00, respectively. The Center's total payroll for fiscal year 2022-23 amounted to \$2,204,573.

On Behalf Contributions

The State of Oklahoma makes retirement contributions each year for teachers employed by Oklahoma School Districts. The contribution amounts are based on the teacher's years of service and amounts paid are prescribed by O.S.70 Section 17-108.2 subsection A. During fiscal year 2022-23, the State of Oklahoma's contribution was \$13,237. This Center recognized revenue and expenditures of this amount during the year.

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**Employee Retirement System (continued)**

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2023, the Center reported a liability of \$3,479,611 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The Center's proportion of the net pension liability was based on the Center's contributions received by the pension plan relative to the total contributions received by pension plan for all participating employers as of June 30, 2023. Based upon this information, the center's proportion was 0.04238581 percent.

For the year ended June 30, 2023, the Center recognized pension expense of \$239,541.00. At June 30, 2023, the school district reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 111,471	\$ 43,526
Changes of assumptions	234,775	-
Net difference between projected and actual earnings on pension plan investments	331,260	-
Changes in proportion	238,408	271,602
Center contributions during the measurement date	5,879	2,312
System contributions subsequent to the measurement date	<u>239,541</u>	<u>-</u>
Total	<u>\$ 1,161,334</u>	<u>\$ 317,440</u>

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**Employee Retirement System (continued)**

Deferred pension outflows totaling \$239,541.00 resulting from the Center’s contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources will be recognized in pension expense over five years. The deferred inflows will be recognized in pension expense using the average expected remaining service life of the plan participants. The average expected remaining life of the plan participants is determined by taking the calculated total future service years of the plan participants divided by the number of people in the Plan including retirees. The total future service years of the plan participants are estimated at 5.23 years at June 30, 2023, and are determined using the mortality, termination, retirement and disability assumptions associated with the Plan.

Deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ended,	
2024	\$ 270,703
2025	171,890
2026	(84,828)
2027	253,981
2028	<u>(7,393)</u>
Total	<u>\$ 604,353</u>

**Actuarial Assumptions** – The total pension liability as of June 30, 2023, was determined based on an actuarial valuation prepared as of June 30, 2022 using the following actuarial assumptions:

- Actuarial Cost Method-Entry Age Normal
- Inflation – 2.25 percent
- Future Ad Hoc Cost-of-Living Increases-None
- Salary Increases-Composed of 2.25 percent wage inflation, plus .75 percent productivity increase rate, plus step-rate promotional increase for members with less than 25 years of service.
- Investment Rate of Return-7.00 percent
- Retirement Age-Experience-based table of rates based on age, service, and gender. Adopted by the Board in July 2020 in conjunction with the five-year experience study for the period ending June 30, 2019.
- Mortality rates after retirement-Males & Females: 2020 GRS Southwest Region Teacher Mortality table. Generational mortality improvements with the Ultimate MP scales are projected from the Year 2020.
- Mortality rates for Active Members-PUB-2010 Teachers Activity Mortality Table. Generation Mortality improvements in accordance with the Ultimate MP scales are projected from the Year 2010.

The target asset allocation and best estimate of arithmetic expected real rates of return for each major asset class as of June 30, 2023, are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	43.5%	4.3%
International Equity	19.0%	5.2%
Fixed Income	22.0%	0.4%
Real Estate*	9.0%	4.3%
Alternative Assets	<u>6.5%</u>	6.5%
Total	100.00%	

**CHISHOLM TRAIL TECHNOLOGY CENTER NO. 26  
KINGFISHER COUNTY, OKLAHOMA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023**

**Employee Retirement System (continued)**

\*The Real Estate total expected return is a combination of US Direct Real Estate (unleveraged) and US Value added Real Estate (unleveraged).

Discount rate – A single discount rate of 7.00% was used to measure the total pension liability as of June 30, 2023. This single discount rate was based solely on the expected rate of return on pension plan investments of 7.00%. The projection of cash flows also assumed that the State’s contribution plus the matching contributions will remain a constant percent of projected member payroll based on the past 5 years of actual contributions. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine total pension liability.

Sensitivity of the Center’s proportionate share of the net pension liability to changes in the discount rate

The following presents the Center’s proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the Center’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.00%) or 1-percentage point higher (8.00%) than the current rate:

	1% Decrease <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
Center’s proportionate share of the net pension liability	<u>\$ 4,899,313</u>	<u>\$ 3,479,611</u>	<u>\$ 2,312,449</u>

**7. Other Post-Employment Benefits OPEB**

Plan Description – The District as the employer, participates in the Supplemental Health Insurance Program – a cost sharing multiple-employer defined benefit OPEB plan administered by the Oklahoma Teachers Retirement System (OTRS). Title 74 O. S. Sec. 1316.3 defines the health insurance benefits. The authority to establish and amend benefit provisions rests with the State Legislature. OTRS issues a publicly available financial report that can be obtained at [www.ok.gov/OTRS](http://www.ok.gov/OTRS)

Benefits Provided – OTRS pays a medical insurance supplement to eligible members who elect to continue their employer provided health insurance. The supplement payment is between \$100 and \$105 per month, remitted to the Oklahoma Management Enterprise Services Employees Group Insurance Division, provided the member has ten (10) years of Oklahoma service prior to retirement.

Contributions – Employer and employee contributions are made based upon the TRS Plan provisions contained in Title 70, as amended. However, the statutes do not specify or identify any particular contribution source to pay the health insurance subsidy. Based on the contribution requirements of Title 70 employers and employees contribute a single amount based on a single contribution rate as described in Note 6 from this amount OTRS allocates a portion of the contributions to the supplemental health insurance program. The cost of the supplemental health insurance program averages 1.5% of normal cost, as determined by an actuarial valuation.

OPEB Liabilities (Assets), OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – At June 30, 2023, the District reported an asset of \$19,766 for its proportionate share of the new OPEB asset. The net OPEB asset was measured as of June 30, 2022, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of June 30, 2022. The District’s proportion of the net OPEB asset was based on the District’s contributions received by the OPEB plan relative to the total contributions received by the OPEB plan for all participating employers as of June 30, 2022. Based upon this information, the District’s proportion was 0.045188% percent.

**CHISHOLM TRAIL TECHNOLOGY CENTER NO. 26  
KINGFISHER COUNTY, OKLAHOMA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023**

For the year ended June 30, 2023, the District recognized OPEB expense of \$2,686. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	-	\$ 6,580
Net difference between projected and actual earnings on OPEB plan investments	5,961		-
Changes of assumption	8,625		-
Changes in proportion	539		1,213
Contributions during measurement date	2,331		1,568
District contributions subsequent to the measurement date	2,686		-
<b>Total</b>	<b>\$ 19,782</b>	<b>\$</b>	<b>9,361</b>

The \$2,686 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:			
2024	\$	663	
2025		462	
2026		(1,526)	
2027		7,898	
2028		(176)	
Thereafter	\$	60	
<b>Total</b>	<b>\$</b>	<b>7,735</b>	

**CHISHOLM TRAIL TECHNOLOGY CENTER NO. 26  
KINGFISHER COUNTY, OKLAHOMA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023**

**OPEB (continued)**

**Actuarial Assumptions** – The total OPEB liability (asset) as of June 30, 2023, was determined based on an actuarial valuation prepared as of June 30, 2022, using the following actuarial assumptions:

- Actuarial Cost method - Entry Age Normal
- Inflation – 2.25%
- Future AD HOC Cost of Living Increases- None
- Salary Increases-Composed of 2.25% wage inflation, plus 75 percent productivity increase rate, plus step-rate promotional increases for members with less than 25 years of service.
- Investment Rate of Return-7.00%
- Retirement Age-Experience-based table of rates based on age, service, and gender. Adopted by the Board in July 2020 in conjunction with the five-year experience study for the period ending June 30, 2019
- Mortality Rates after Retirement – Males & Females: 2020 GRS Southwest Region Teacher Mortality Table. Generational mortality improvements in accordance with the Ultimate MP Scales are projected from 2020.
- Mortality Rates for Active Members – PUP -2010 Teachers Activity Employee Mortality Table. Generational Mortality Improvements in accordance with the Ultimate MP Scales are projected from the year 2010.
- Due to the nature of the benefit, health care trend rates are not applicable to the calculation of contribution rates.

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	43.5%	4.3%
International Equity	19.0%	8.2%
Fixed Income	22.%	.4%
Real Estate*	9.0%	4.3%
Alternative Assets	6.5%	6.5%
Total	100.00%	

\* The Real Estate total expected return is a combination of US Direct Real Estate (unleveraged) and US Value added Real Estate (unleveraged).

**Discount Rate** – A single discount rate of 7.00% was used to measure the total OPRB liability (asset) as of June 30, 2023. This single discount rate was based solely on the expected rate of return on OPEB plan investments of 7.00%. Based on the stated assumptions and the projection of cash flows, the OPEB plan’s fiduciary net position and future contributions were projected to be available to finance all projected future payments of current plan members. Therefore, the long term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability (asset). The projection of cash flows used to determine this single discount rate assumed that plan member and employer contributions will be made at the statutory levels and remain a level percentage of payrolls. The projection of cash flows also assumed that the State’s contribution plus the matching contributions will remain a constant percentage of projected member payroll based on the past five years of actual contributions.



**CHISHOLM TRAIL TECHNOLOGY CENTER NO. 26  
KINGFISHER COUNTY, OKLAHOMA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023**

**OPEB (continued)**

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Discount Rate – The following presents the net OPEB liability (asset) of the employer calculated using the discount rate of 7.0%, as well as what the Plan’s net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Employer’s Net OPEB Liability (asset) \$	824	(19,766)	(37,201)

OPEB Plan Fiduciary Net Position – Detailed information about the OPEB plan’s fiduciary net position is available in the separately issued financial report of the OTRS; which can be located at [www.ok.gov/OTRS](http://www.ok.gov/OTRS).

**9. General Long-Term Debt**

The Center’s long-term debt consisted of non-current compensated absences.

The following is a summary of the long-term debt transactions for the year ended June 30, 2023:

	Balance July 1, 2022	Additions	Retirements	Balance June 30, 2023
Compensated Absences \$	95,439	\$ 18,460	\$	113,899
Total \$	95,439	\$ 18,425	\$ -	113,899
Less: Amounts Due within One Year				45,555
Total Long-Term Debt			\$	68,344

**10. Litigation**

The Center 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 Center at June 30, 2023.

**11. Contingent Liabilities**

The Center receives significant financial assistance from the United States government in the form of grants and other federal assistance. Entitlement to the resources is generally conditioned upon compliance with terms and conditions of the grant agreements and applicable federal regulations, including the expenditure of the resources for eligible purposes. Substantially all grants are subject to financial and compliance audits by the grantors. Any disallowances as a result of these audits become a liability of the Center. The Center estimates that no material liabilities will result from such audits.

**CHISHOLM TRAIL TECHNOLOGY CENTER NO. 26  
KINGFISHER COUNTY, OKLAHOMA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023**

**12. Risk Management**

The Center 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 Center purchases commercial insurance to cover these risks. Settled claims resulting from these risks have not exceeded the commercial insurance coverage in any of the past three fiscal years.

The Center participates in the Oklahoma Public Schools Unemployment Compensation Account under the sponsorship of the Oklahoma State School Boards Association and the cooperative council for Oklahoma School Administration. The account was established to let schools self-insure unemployment benefits for school employees. The funds are held in the name of each center as reserves to pay unemployment claims. Each center is individually liable for that portion of the benefits paid from the fund attributable to wages paid by the center in the same manner as if no group account had been established. The reserve funds may be withdrawn from the account upon request of the center.

**13. Surety Bonds Bond**

The Center is bonded by CNA Surety, bond number 70944476 for the following positions and the sum of the bonds are listed for the date 7/23/22 through 7/23/23:

Position	Bond Amount
Business Manager	\$ 10,000
BIS Assistant	10,000
Superintendent	100,000
Board Clerk	10,000
Receptionist (2)	20,000
Principal	10,000
Maintenance Supervisor	10,000
Activity Fund Custodian	10,000

The Treasurer of the District is bonded by Western Surety Company, bond number 61655678 in the amount of \$50,000 for the term July 1, 2022 to June 30, 2023.

**14. Tax Abatement**

Oklahoma Statute Title 31, offers a homestead exemption of up to 1 acre in an urban area or 160 acres in a rural area. These homestead exemptions, also reduce the Ad Valorem taxes remitted to the Technology Center.

For the year ended June 30, 2023, abated property taxes due to homestead exemption were approximately \$34,167.

**REQUIRED SUPPLEMENTARY INFORMATION**

**CHISHOLM TRAIL TECHNOLOGY CENTER NO. 26**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable</u>
Fund balances, beginning of year	\$ 7,948,717	\$ 7,948,717	\$ 7,948,717	\$ -
Revenues				
Local sources	\$ 3,468,977	\$ 3,468,977	\$ 4,207,103	\$ 738,125
Intermediate sources	-	-	-	-
State sources	1,484,426	1,484,426	1,496,011	11,585
Federal sources	<u>52,437</u>	<u>52,437</u>	<u>66,750</u>	<u>14,313</u>
Total revenues	\$ <u>5,005,840</u>	\$ <u>5,005,840</u>	\$ <u>5,769,864</u>	\$ <u>764,023</u>
Expenditures				
Instruction	\$ 2,288,267	\$ 2,288,267	\$ 1,564,903	\$ 723,364
Support services	5,033,703	5,033,703	2,601,537	2,432,166
Non-instructional services	113,418	113,418	59,599	53,819
Capital outlay	3,120,529	3,120,529	1,704,417	1,416,111
Other outlays	5,563	5,563	200	5,363
Other uses	2,388,027	2,388,027	9,333	2,378,694
Repayments	<u>5,050</u>	<u>5,050</u>	<u>-</u>	<u>5,050</u>
Total expenditures	\$ <u>12,954,557</u>	\$ <u>12,954,557</u>	\$ <u>5,939,989</u>	\$ <u>7,014,568</u>
Excess of revenues over/ (under) expenses before adjustments to prior year encumbrances	\$ <u>-</u>	\$ <u>-</u>	\$ 7,778,592	\$ <u>7,778,592</u>
Adjustments to prior year encumbrances			<u>103,638</u>	
Other financing sources (uses):				
Operating transfers in/out			\$ -	
Bank charges			<u>-</u>	
Total other financing sources (uses)			\$ <u>-</u>	
Cash fund balance, end of year - Budgetary basis			<u>\$ 7,882,230</u>	
Reconciliation of budgetary basis fund balance with GAAP fund balance				
Budgetary fund balance, June 30, 2023			\$ 7,882,230	
Accounts receivable not recognized as revenue			341,636	
Expenses not recognized in Budgetary Basis			(128,960)	
Encumbrances not recognized in Budgetary Basis			1,763,948	
Expenses not recognized in GAAP Basis			(45,556)	
GAAP fund balance, end of year			<u>\$ 9,813,298</u>	

**CHISHOLM TRAIL TECHNOLOGY CENTER NO. 26**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS**  
**BUILDING FUND**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Favorable
Fund balances, beginning of year	\$ 2,142,415	\$ 2,142,415	\$ 2,142,415	\$ -
Revenues				
Local sources	\$ 654,223	\$ 654,223	\$ 723,514	\$ 69,291
Intermediate sources	-	-	-	-
State sources	-	-	11	11
Federal sources	-	-	-	-
Total revenues	<u>\$ 654,223</u>	<u>\$ 654,223</u>	<u>\$ 723,525</u>	<u>\$ 69,302</u>
Expenditures				
Instruction	\$ 51,431	\$ 51,431	-	\$ 51,431
Support services	253,700	253,700	164,108	89,592
Non-instructional services	-	-	-	-
Capital outlay	637,708	637,708	272,423	365,285
Other outlays	-	-	-	-
Other uses	<u>1,853,799</u>	<u>1,853,799</u>	<u>-</u>	<u>1,853,799</u>
Total expenditures	<u>\$ 2,796,638</u>	<u>\$ 2,796,638</u>	<u>\$ 436,531</u>	<u>\$ 2,360,107</u>
Excess of revenues over/(under) expenses paid before adjustments to prior year encumbrances	<u>\$ -</u>	<u>\$ -</u>	\$ 2,429,409	<u>\$ 2,429,409</u>
Adjustments to prior year encumbrances			<u>17,229</u>	
Other financing sources (uses):				
Operating transfers in/out			\$ -	
Bank charges			<u>-</u>	
Total other financing sources (uses)			<u>\$ -</u>	
Cash fund balance, end of year - Budgetary basis			<u>\$ 2,446,638</u>	
Reconciliation of budgetary basis fund balance with GAAP fund balance				
Budgetary fund balance, June 30, 2023			\$ 2,446,638	
Accounts receivable not recognized as revenue			58,681	
Expenses not recognized in Budgetary Basis			(14,104)	
Expenses not recognized in GAAP Basis			<u>61,760</u>	
GAAP fund balance, end of year			<u>\$ 2,552,975</u>	

CHISHOLM TRAIL TECHNOLOGY CENTER NO. 26  
 KINGFISHER COUNTY, OKLAHOMA  
 SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
 OKLAHOMA TEACHERS RETIREMENT SYSTEM  
 LAST TEN FISCAL YEARS\*  
 FOR THE YEAR END JUNE 30, 2023

	2022	2023
School's Proportion of the net pension liability	0.45181940%	0.04238581%
School's proportionate share of the net pension liability	\$ 2,308,267	\$ 3,479,611
School's covered-employee payroll	\$ 2,046,872	\$ 2,204,573
School's proportionate share of the net pension liability as a percentage of its covered-employee payroll	113%	158%
Plan fiduciary net position as a percentage of total pension liability	80.80%	70.05%

\*The amounts present for each fiscal year were determined as of 6/30.

**Note to Schedule:**

Information to present a 10 year history is not readily available.

**CHISHOLM TRAIL TECHNOLOGY CENTER NO. 26**  
**KINGFISHER COUNTY, OKLAHOMA**  
**SCHEDULE OF THE CONTRIBUTIONS**  
**OKLAHOMA TEACHERS RETIREMENT SYSTEM**  
**LAST TEN FISCAL YEARS\***  
**FOR THE YEAR END JUNE 30, 2023**

	2022	2023
Contractually required contribution	\$ 227,476	\$ 239,541
Contributions in relation to the contractually required contribution	227,476	239,541
Contribution deficiency (excess)	-	-
School's covered-employee payroll	\$ 2,046,872	\$ 2,204,573
Contributions as a percentage of covered-employee payroll	11.00%	10.87%

Notes to Schedule:  
 Information to present a 10 year history is not readily available.

CHISHOLM TRAIL TECHNOLOGY CENTER NO. 26  
 CREEK COUNTY, OKLAHOMA  
 SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)  
 SUPPLEMENTAL HEALTH INSURANCE PROGRAMS  
 LAST TEN FISCAL YEARS\* (DOLLAR AMOUNTS IN THOUSANDS)  
 FOR THE YEAR END JUNE 30, 2023

	2022	2023
	0.04518837%	0.04518837%
District's portion of the net OPEB liability (asset)		
District's proportionate share of the net OPEB liability (asset)	\$ (57,557) \$	\$ (19,766)
District's covered payroll	\$ 2,046,872 \$	\$ 2,204,573
District's proportionate share of the new OPEB liability (asset) as a percentage of its Covered-employee payroll	2.81%	0.90%
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	129.91%	110.31%

\*The amount present for each fiscal year were determined as of 6/30

**Notes to Schedule:**

Information to present a 10 year history is not readily available.



**CHISHOLM TRAIL TECHNOLOGY CENTER NO. 26**  
**KINGFISHER COUNTY, OKLAHOMA**  
**SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS**  
**SUPPLEMENTAL HEALTH INSURANCE PROGRAMS**  
**LAST TEN FISCAL YEARS\* (DOLLAR AMOUNTS IN THOUSANDS)**  
**FOR THE YEAR END JUNE 30, 2023**

	2022	2023
Contractually required contribution	\$ 2,751	\$ 2,686
Contributions in relation to the contractually required contribution	2,751	2,686
Contribution deficiency (excess)	\$ -	\$ -
District's covered payroll	\$ 2,046,872	\$ 2,204,573
Contributions as a percentage of covered-payroll	0.13%	0.12%

**Notes to Schedule:**

Information to present a 10 year history is not readily available.

**SUPPORTING SCHEDULES**

CHISHOLM TRAIL TECHNOLOGY CENTER NO. 26  
 SCHEDULE OF FEDERAL AWARDS EXPENDED  
 FOR THE YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA#	Grantor's Number	Balance at July 1, 2022	Receipts	Expenditures	Balance at June 30, 2023
<b>U.S. Department of Education</b>						
<b>Direct Programs:</b>						
PELL	84.063	P063P224618	\$ -	\$ 58,184	\$ 61,632	\$ (3,448)
Sub-Total Direct Programs			\$ -	\$ 58,184	\$ 61,632	\$ (3,448)
<b>Passed-Through State Department of Career and Technology Education:</b>						
Carl Perkins TCTW	84.048	N/A	\$ (12,000)	\$ 12,000	\$ 20,000	\$ (20,000)
Adult Education	84.002	N/A	(30,692)	54,744	40,875	(16,623)
Sub-Total State Dept. of Career & Tech. Ed.			\$ (42,692)	\$ 66,744	\$ 60,875	\$ (36,823)
<b>TOTAL FEDERAL ASSISTANCE</b>			\$ (42,692)	\$ 124,928	\$ 122,507	\$ (40,271)

See accompanying notes to Schedule of Federal Awards Expended

**CHISHOLM TRAIL TECHNOLOGY CENTER NO. 26  
KINGFISHER COUNTY, OKLAHOMA  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2023**

**Note A: Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Chisholm Trail Technology Center No. 26 under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 US. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements/or Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Chisholm Trail Technology Center No. 26 it is not intended to and does not present the basic financial statements as listed in the table of contents of Chisholm Trail Technology Center No. 26.

**Note B: Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on using the accrual basis of accounting. Some amounts presented in the schedule may differ from amounts presented in or used in the preparation of the basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, where certain types of expenditures are not allowable or are limited as to reimbursement.

**Note C: Indirect Cost Rate**

Chisholm Trail Technology Center No. 26 has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

**Note D: Subrecipients**

Chisholm Trail Technology Center No. 26 did not have any awards that have been passed through to subrecipients.

**CHISHOLM TRAIL TECHNOLOGY CENTER NO. 26**  
**SCHOOL ACTIVITY FUND**  
**STATEMENT OF REVENUE, EXPENDITURES, AND FUND BALANCE**  
**FOR THE YEAR ENDED JUNE 30, 2023**

Activities	Balance 7-1-22	Revenue	Net Transfers/ Adjustments	Expenditures	Balance 6-30-23
Petty Cash	\$ -	\$ 200	\$ -	\$ 200	\$ -
Concession	9,132	11,234	(973)	14,633	4,760
Cosmetology Live Work	-	61	-	61	-
Health Careers HOSA	847	3,487	1,230	3,138	2,426
Cabinetry Skills USA	1,148	230	-	486	892
Automotive Skills USA	9,647	1,525	-	3,037	8,135
CTSO	7,771	-	-	-	7,771
TANF	9	-	-	-	9
PN Tuition	-	21,006	-	21,006	-
PN Mat/Fees	2,881	22,661	-	22,543	2,999
PN HOSA	3,834	5,400	(550)	3,839	4,845
School-Wide Fundraising	380	560	-	423	517
Interest	7	-	60	-	67
Enrollment Fees	-	340	-	340	-
BIS Tuition	-	20,105	-	20,105	-
BIS Mat/Fees	3,050	3,360	-	6,110	300
Howell-Legako-Hayes B/S Fund	7,474	-	-	-	7,474
Health Testing	1,001	-	-	-	1,001
Auto Repairs	1,749	666	-	802	1,613
Cosmetology Skills USA	7,128	2,645	-	1,933	7,840
Full-Time Tuition	-	12,854	-	12,854	-
Full-Time Mat/Fees	-	7,637	304	7,935	6
PN Scholarship	80	-	-	-	80
Computer Repair/Networking BP/	2,250	2,765	-	3,538	1,477
BPA-Business Prof. of America	2,923	8,352	-	6,358	4,917
Student Financial Aid	3,668	13,455	-	13,205	3,918
Student Emergency Assist Fund	2,756	-	-	-	2,756
General Fund Refund	-	15,737	-	15,737	-
Pre-Engineering-Skills USA	760	1,471	-	1,921	311
Adult Career Dev. Tuition	-	21,849	100	21,949	-
Adult Career Dev. Mat/Fees	-	1,035	-	1,035	-
Adult Career Dev. Textbooks	-	570	-	570	-
Welding Skills USA	12,747	4,597	-	2,078	15,266
CDL-Commercial Driver License	-	28,800	-	-	28,800
<b>Total Activities</b>	<b>\$ 81,242</b>	<b>\$ 212,601</b>	<b>\$ 171</b>	<b>\$ 185,835</b>	<b>\$ 108,179</b>

CHISHOLM TRAIL TECHNOLOGY CENTER NO. 26  
STATEMENT OF NET POSITION - FIDUCIARY FUND  
JUNE 30, 2023

		<u>Agency Fund</u>
<b>ASSETS</b>		<u>Pell Grant Fund</u>
Cash	\$	1
Investments		-
Receivables		-
		<hr style="width: 100%;"/>
Total assets	\$	<u>1</u>
<b>LIABILITIES AND NET POSITION</b>		
Liabilities:		
Due to other funds	\$	-
Due to student organizations		1
		<hr style="width: 100%;"/>
Total liabilities	\$	<u>1</u>
Net position		
Unreserved/undesignated	\$	<u>-</u>
Total liabilities and net position	\$	<u><u>1</u></u>

**CHISHOLM TRAIL TECHNOLOGY CENTER NO. 26  
STATEMENT OF CHANGES IN PELL GRANT FUND NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2023**

		<u>Agency Fund</u>	
			<u>Financial Aid Fund</u>
Revenues			
Federal sources			
Pell Grant	\$	<u>61,178</u>	
Total revenues	\$	<u>61,178</u>	
Expenditures			
Other outlays			
Tuition, Books and Fees	\$	28,425	
Student Financial Assistance-PELL		<u>32,753</u>	
Total expenditures	\$	<u>61,178</u>	
Excess of revenues over expenditures	\$	<u>-</u>	
Transfers In(out)	\$	<u>-</u>	
Net position, beginning of year	\$	<u>-</u>	
Net position, end of year	\$	<u><u>-</u></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

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## 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  
Chisholm Trail Technology Center No.26  
Kingfisher 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 financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Chisholm Trail Technology Center No. 26, Kingfisher County, Oklahoma (Center), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Center's financial statements, and have issued our report thereon dated March 5, 2024.

### Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Center'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 Center's internal control. Accordingly, we do not express an opinion on the effectiveness of the Center'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.

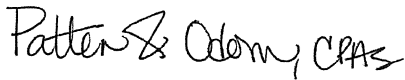
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not 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 Center'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*.

**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, PLLC  
Broken Arrow, OK  
March 5, 2024

**CHISHOLM TRAIL TECHNOLOGY CENTER NO. 26  
KINGFISHER COUNTY, OKLAHOMA  
SUMMARY OF PRIOR AUDIT FINDINGS  
FOR YEAR ENDED JUNE 30, 2023**

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 center had no prior year audit findings relative to federal award programs.

**CHISHLOM TRAILTECHNOLOGY CENTER NO. 26  
KINGFISHER COUNTY, OKLAHOMA  
SCHEDULE OF COMMENTS  
FOR YEAR ENDED JUNE 30, 2023**

Based on our tests of accounting records and related procedures, we found nothing to indicate that Chisholm Trail Technology Center had not complied with significant compliance rules and regulations of the Oklahoma State Department of Career and Technology Education.

Previous Year's Audit Comments

There were no items in the school's 2021-2022 audit report which required correction.

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

CHISHOLM TRAIL TECHNOLOGY CENTER NO. 26  
KINGFISHER COUNTY, OKLAHOMA  
SCHEDULE OF ACCOUNTANT'S PROFESSIONAL LIABILITY INSURANCE AFFIDAVIT  
FOR YEAR ENDED JUNE 30, 2023

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 Chisholm Trail Technology Center for the audit year 2022-2023.

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

BY *Kenya Johnson*  
\_\_\_\_\_  
AUTHORIZED AGENT

Subscribed and sworn to before me on this

5<sup>th</sup> day of March, 2024

*Alicia Haught*  
\_\_\_\_\_  
NOTARY PUBLIC

My commission expires on:

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

ALICIA HAUGHT  
Notary Public, State of Oklahoma  
Commission # 23013029  
My Commission Expires 09-26-2027