

COLCORD PUBLIC SCHOOL DISTRICT NO. I-4

Colcord, Delaware County, Oklahoma
Fiscal Year Ended June 30, 2024

AUDIT REPORT



COLCORD PUBLIC SCHOOL, I-4
DELAWARE COUNTY, OKLAHOMA
TABLE OF CONTENTS
June 30, 2024

Independent Auditor's Report	1
Combined Financial Statements:	
Combined Statement of Assets, Liabilities and Fund Balance - All Fund Types and Account Groups – Regulatory Basis	4
Combined Statement of Revenues Collected, Expenditures, and Changes in Fund Balance - All Governmental Fund Types - Regulatory Basis	5
Combined Statement of Revenues Collected, Expenditures and Changes in Fund Balance - Budget and Actual – General, Special Revenue and Debt Service Funds – Regulatory Basis	6
Notes To The Financial Statements - Regulatory Basis	7
Other Supplementary Information:	
Supporting Schedules:	
Combining Statement of Assets, Liabilities and Fund Balances - All Special Revenue Funds – Regulatory Basis	18
Combining Statement of Revenues Collected, Expenditures and Changes in Fund Balances - All Special Revenue Funds – Regulatory Basis	19
Combining Statement of Revenues Collected, Expenditures and Changes in Fund Balances - Budget and Actual - Special Revenue Funds (Building & Child Nutrition only) – Funds Regulatory Basis	20
Statement of Assets, Liabilities and Fund Balances - Fiduciary Funds – Regulatory Basis	21
Statement of Changes in Assets and Liabilities - Fiduciary Funds - Regulatory Basis	22
Internal Control and Compliance Reports:	
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 <i>Government Auditing Standards</i>	23
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	25
Schedule of Expenditures of Federal Awards	27
Schedule of Findings and Questioned Costs	28
Supporting Schedules Required by the State Department of Education	
Schedule of Federal Awards	29
Schedule of Accountant's Professional Liab. Insurance Affidavit	30
Schedule of Statutory, Fidelity, and Honesty Bonds	31

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INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Colcord School District No. I-4
Colcord, Oklahoma

Report on the Audit of the Financial Statements

Opinions

I have audited the accompanying combined fund type and account group financial statements – regulatory basis of the Colcord School District No. I-4 (the District), Delaware County, Oklahoma, as of and for the year ended June 30, 2024, as listed in the table of contents.

Qualified Opinion on Regulatory Basis of Accounting

In my opinion, except for the effects of the matter discussed in the "Basis for Qualified Opinion on Regulatory Basis of Accounting" section of my report, the combined financial statements referred to above present fairly, in all material respects, the assets, liabilities and fund balances arising from regulatory basis transactions of each fund type and account group of the District, as of June 30, 2024, and the revenues it received and expenditures it paid and encumbered for the year then ended, in accordance with the financial reporting provisions of the Oklahoma State Department of Education as described in Note I.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In my opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" section of my report, the financial statements referred to in the first paragraph do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the District, as of June 30, 2024, or the revenues, expenses, and changes in net position for the year then ended.

Basis for Opinions

I conducted my audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of my report. I am required to be independent of the District and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my adverse and qualified audit opinions.

Basis for Qualified Opinion on Regulatory Basis of Accounting

As discussed in Note I, the financial statements referred to above do not include the General Fixed Asset Account Group, which is a departure from the regulatory basis of accounting prescribed or permitted by the Oklahoma State

Department of Education. The amount that should be recorded in the General Fixed Asset Account Group is not known.

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

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

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

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

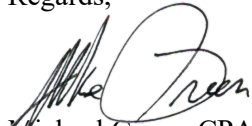
Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated March 13, 2025, on my consideration of the District's internal control over financial reporting and on my 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 my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Regards,



Michael Green, CPA
Stilwell, Oklahoma
March 13, 2025

COLCORD SCHOOL DISTRICT NO. 1-4
COMBINED STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE
ALL FUND TYPES AND ACCOUNT GROUPS-REGULATORY BASIS
JUNE 30, 2024

	Governmental Fund Types				Fiduciary	Account Group		Total (Memorandum Only)
					Fund Types			
	General Fund	Special Revenue	Debt Service	Capital Projects	Trust and Agency	General	Long-Term Debt	
ASSETS								
Cash and cash equivalents (Note 2)	\$ 1,761,625.43	\$ 905,960.35	\$ 110,173.88	\$ 231,154.37	\$ 99,188.93	\$ -	-	\$ 3,108,102.96
Investments	-	-	-	-	-	-	-	-
Amounts available in debt service fund	-	-	-	-	-	-	137,723.85	137,723.85
Amounts to be provided for retirement of general long-term debt	-	-	-	-	-	-	602,276.15	602,276.15
Total assets	<u>\$ 1,761,625.43</u>	<u>\$ 905,960.35</u>	<u>\$ 110,173.88</u>	<u>\$ 231,154.37</u>	<u>\$ 99,188.93</u>	<u>\$ 740,000.00</u>		<u>\$ 3,848,102.96</u>
LIABILITIES AND FUND EQUITY								
Liabilities:								
Outstanding warrants	\$ 404,724.82	\$ 32,216.45	\$ -	\$ -	\$ -	\$ -	-	\$ 436,941.27
Encumbrances	389,091.85	4,366.99	-	-	-	-	-	393,458.84
Long-term debt								
Capital leases	-	-	-	-	-	-	-	-
Bonds payable	-	-	-	-	-	-	740,000.00	740,000.00
Due to student activities	-	-	-	-	99,188.93	-	-	99,188.93
Total liabilities	<u>793,816.67</u>	<u>36,583.44</u>	<u>-</u>	<u>-</u>	<u>99,188.93</u>	<u>740,000.00</u>		<u>1,669,589.04</u>
Fund equity:								
Restricted for:								
Capital projects	-	-	-	231,154.37	-	-	-	231,154.37
Debt service	-	-	110,173.88	-	-	-	-	110,173.88
Plant improvements & operations	-	829,684.74	-	-	-	-	-	829,684.74
Child nutrition	-	39,692.17	-	-	-	-	-	39,692.17
Unassigned	967,808.76	-	-	-	-	-	-	967,808.76
Total fund balances	<u>967,808.76</u>	<u>869,376.91</u>	<u>110,173.88</u>	<u>231,154.37</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,178,513.92</u>
Total liabilities and fund equity	<u>\$ 1,761,625.43</u>	<u>\$ 905,960.35</u>	<u>\$ 110,173.88</u>	<u>\$ 231,154.37</u>	<u>\$ 99,188.93</u>	<u>\$ 740,000.00</u>		<u>\$ 3,848,102.96</u>

The accompanying notes and auditor's reports are an integral part of these financial statements.

COLCORD SCHOOL DISTRICT NO. 1-4
COMBINED STATEMENT OF REVENUES COLLECTED, EXPENDITURES,
AND CHANGES IN FUND BALANCE
ALL GOVERNMENTAL FUND TYPES - REGULATORY BASIS
JUNE 30, 2024

	Governmental Fund Types				Fiduciary Fund Types		Total (Memorandum only)
	General Fund	Special Revenue	Debt Service	Capital Projects	Trust and Agency		
Revenues collected:							
Local sources	\$ 727,803.10	\$ 189,775.41	\$ 258,105.03	\$ 34,238.12	\$ 378,916.89	\$	1,588,838.55
Intermediate sources	288,727.95	-	-	-	-		288,727.95
State sources	6,474,927.47	289,146.38	-	-	-		6,764,073.85
Federal sources	1,403,602.03	813,289.15	-	-	-		2,216,891.18
Total revenues collected	8,895,060.55	1,292,210.94	258,105.03	34,238.12	378,916.89		10,858,531.53
Expenditures paid:							
Instruction	5,146,116.90	-	-	-	357,367.78		5,503,484.68
Support Services	3,860,690.24	83,213.86	-	-	-		3,943,904.10
Non-Instructional services	168,864.56	649,968.03	-	-	-		818,832.59
Capital outlay	-	184,517.79	-	221,610.06	-		406,127.85
Other outlays	22,132.00	-	-	-	-		22,132.00
Debt services:							
Principal retirement	-	-	270,000.00	-	-		270,000.00
Interest	-	-	15,655.00	-	-		15,655.00
Total expenditures paid	9,197,803.70	917,699.68	285,655.00	221,610.06	357,367.78		10,980,136.22
Excess of revenues collected over (under) expenditures before adjustments to prior year encumbrances	(302,743.15)	374,511.26	(27,549.97)	(187,371.94)	21,549.11		(121,604.69)
Adjustments to prior year encumbrances	-	-	-	-	-		-
Other financing sources (uses):							
Bond sale proceeds	-	-	-	300,000.00	-		300,000.00
Operating transfers in & estopped warrants	30,237.63	5,524.31	-	-	-		35,761.94
Operating transfers out	-	-	-	-	-		-
Total other financing sources (uses)	30,237.63	5,524.31	-	300,000.00	-		335,761.94
Excess (deficiency) of revenues and other resources over expenditures and other financing sources (uses)	(272,505.52)	380,035.57	(27,549.97)	112,628.06	21,549.11		214,157.25
Beg. Fund Balance Including Activity Funds	1,240,314.28	489,341.34	137,723.85	118,526.31	77,639.82		2,063,545.60
Ending Fund Balance Including Activity Funds	\$ 967,808.76	\$ 869,376.91	\$ 110,173.88	\$ 231,154.37	\$ 99,188.93	\$	2,277,702.85

The accompanying notes and auditor's reports are an integral part of these financial statements.

COLCORD SCHOOL DISTRICT NO. 14
COMBINED STATEMENT OF REVENUES COLLECTED, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL-
GENERAL, SPECIAL REVENUE AND DEBT SERVICE FUNDS-REGULATORY BASIS
JUNE 30, 2024

	General Fund			Special Revenue Funds (Building and Child Nutrition only)			Debt Service Fund		
	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual
Revenues collected:									
Local sources	\$ 528,238.45	\$ 528,238.45	\$ 727,803.10	\$ 78,180.89	\$ 78,180.89	\$ 189,775.41	\$ 253,211.15	\$ 253,211.15	\$ 258,105.03
Intermediate sources	228,871.90	228,871.90	288,727.95	-	-	-	-	-	-
State sources	5,483,374.59	5,483,374.59	6,474,927.47	4,258.84	4,258.84	289,146.38	-	-	-
Federal sources	828,739.75	828,739.75	1,403,602.03	558,702.93	558,702.93	813,289.15	-	-	-
Supplemental revenue adjustments	-	957,952.72	-	-	70,874.65	-	-	-	-
Total revenues collected	7,069,224.69	8,027,177.41	8,895,060.55	641,142.66	712,017.31	1,292,210.94	253,211.15	253,211.15	258,105.03
Expenditures paid:									
Instruction	4,257,852.17	5,215,804.89	5,146,116.90	-	-	-	-	-	-
Support services	3,860,690.24	3,860,690.24	3,860,690.24	317,003.00	317,003.00	83,213.86	-	-	-
Non-instructional services	168,864.56	168,864.56	168,864.56	628,963.21	699,837.86	649,968.03	-	-	-
Capital outlays	-	-	-	184,517.79	184,517.79	184,517.79	-	-	-
Other outlays	22,132.00	22,132.00	22,132.00	-	-	-	285,655.00	285,655.00	285,655.00
Total expenditures paid	8,309,538.97	9,267,491.69	9,197,803.70	1,130,484.00	1,201,358.65	917,699.68	285,655.00	285,655.00	285,655.00
Excess of revenues collected over (under) expenditures before adjustments to prior year encumbrances	(1,240,314.28)	(1,240,314.28)	(302,743.15)	(489,341.34)	(489,341.34)	374,511.26	(32,443.85)	(32,443.85)	(27,549.97)
Adjustments to prior year encumbrances	-	-	-	-	-	-	-	-	-
Other financing sources (uses):									
Operating transfers in & estopped war.	-	-	30,237.63	-	-	5,524.31	-	-	-
Operating transfers out	-	-	-	-	-	-	(2,855.00)	(2,855.00)	-
Total other financing sources (uses)	-	-	30,237.63	-	-	5,524.31	(2,855.00)	(2,855.00)	-
Excess (deficiency) of revenues and other resources over expenditures and other financing sources (uses)	(1,240,314.28)	(1,240,314.28)	(272,505.52)	(489,341.34)	(489,341.34)	380,035.57	(35,298.85)	(35,298.85)	(27,549.97)
Fund balances, beginning of year	1,240,314.28	1,240,314.28	1,240,314.28	489,341.34	489,341.34	489,341.34	137,723.85	137,723.85	137,723.85
Fund balances, end of year	\$ -	\$ -	\$ 967,808.76	\$ -	\$ -	\$ 869,376.91	\$ 102,425.00	\$ 102,425.00	\$ 110,173.88

COLCORD SCHOOL DISTRICT No. I-4
NOTES TO THE FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2024

1. Summary of Significant Accounting Policies

The financial statements of the Colcord Public School District No. I-4 (the "District") have been prepared in conformity with the accounting and financial reporting regulations prescribed or permitted by the Oklahoma State Department of Education, which is an other comprehensive basis of accounting other than generally accepted accounting principles. Accordingly, the accompanying financial statements are not intended to present financial position and results of operations in conformity with accounting principles generally accepted in the United States of America. The District's accounting policies are described in the following notes that are an integral part of the District's financial statements:

A. Reporting Entity

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

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

In evaluating how to define the district, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria established by the Governmental Accounting Standards Board (GASB). The basic -- but not the only -- criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the District and/or its citizens, or whether the activity is conducted within the geographic boundaries of the District and is generally available to its patrons. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the District is able to exercise oversight responsibilities. Based upon the application of these criteria, there are no potential component units included in the District's reporting entity.

B. Measurement Focus

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

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

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

Governmental Fund Types

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

General Fund - The general fund is used to account for all financial transactions except those required to be accounted for in another fund. Major revenue sources include state and local property taxes and state funding under the Foundation and Incentive Aid Program. Expenditures include all costs associated with the daily operations of the schools except for programs funded for building repairs and maintenance, school construction and debt service on bonds and other long-term debt. The general fund includes federal and state restricted monies that must be expended for specific programs.

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

The second special revenue fund is the Child Nutrition Fund, a special revenue fund used to account for monies derived from federal and state reimbursement and local food service collection.

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

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

Proprietary Fund Types

Any proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such

activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the District (internal service funds). The District does not have any proprietary funds.

Fiduciary Fund Types

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the District. When these assets are held under the terms of a formal trust agreement, either a nonexpendable trust fund or an expendable trust fund is used. The terms "nonexpendable" and "expendable" refer to whether or not the District is under an obligation to maintain the trust principal. Agency funds generally are used to account for assets that the District holds on behalf of others as their agent and do not involve measurement of results of operations.

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

Account groups

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

General Long-Term Debt Account Group - This account group was established to account for all long-term debt of the District, which is offset by the amount available in the debt service fund and the amount to be provided in future years to complete retirement of the debt principal. It is also used to account for liabilities for compensated absences and early retirement incentives which are to be paid from funds provided in future years.

General Fixed Asset Account Group - This account group is used to account for property, plant and equipment of the school district. The district does not maintain a record of its general fixed assets, and accordingly, a statement of general fixed assets, required by the regulatory basis of accounting prescribed or permitted by the State Department of Education, is not included in the financial statements. Land, buildings, nonstructural improvements, and all other physical assets in all funds are considered expenditures in the year of acquisition and are not recorded as assets for financial statement purposes.

Memorandum Only - Total Column

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

C. Basis of Accounting

The District prepares its financial statements in a presentation format that is prescribed by the Oklahoma State Department of Education. This format is essentially the generally accepted form of presentation used by state and local

governments prior to the effective date of GASB Statement No. 34, *Basic Financial Statements – Management’s Discussion and Analysis – for State and Local Governments*. This format significantly differs from that required by GASB 34.

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

- a. Encumbrances represented by purchase orders, contracts, and other commitments for the expenditure of monies are recorded as expenditures when approved.
- b. Investments and inventories are recorded as assets when purchased.
- c. Inventories of school supplies are recorded as expenditures and not as assets.
- d. Warrants payable are recorded as liabilities when issued.
- e. Long-term debt is recorded in the General Long-term Debt Account Group and not in the basic financial statements.
- f. Accrued compensated absences are recorded as an expenditure and liability when the obligation is incurred.
- g. A General Fixed Asset Account Group is required or expected by the Department of Education and is presented in such an account group but is not depreciated.
- h. Management’s Discussion and Analysis (MD&A) is not required to be present.

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

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

All governmental type funds are accounted for using the Regulatory (Statutory) basis of accounting. Revenues are recognized when they are received rather than earned. Under the Statutory basis of accounting, expenditures are generally recognized when encumbered/reserved rather than at the time the related fund liability is incurred, Fiduciary type funds are accounted for using the cash basis of accounting. These practices differ from generally accepted accounting principles.

D. Budgets and Budgetary Accounting

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

A budget is legally adopted by the Board of Education for the General Fund, Special Revenue Funds (Building Fund and Child Nutrition Fund) and the Debt Service Fund, that includes revenues and expenditures.

The 2023-2024 Estimate of Needs was approved by the Board and subsequently filed with the County Clerk. The Estimate of Needs was approved by the excise board and the requested levies were made.

E. Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting -- under which purchase orders and other commitments of resources are recorded as expenditures of the applicable fund -- is utilized in all governmental funds of the District. Appropriations not used or encumbered lapse at the end of the year.

F. Assets, Liabilities and Fund Balance

Cash and Cash Equivalents - The District considers all cash on hand, demand deposits and highly liquid investments, with an original maturity of three months or less.

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

Inventories – Purchases for inventory items are considered expenditures when the items are encumbered.

Fixed Assets and Property, Plant and Equipment - The General Fixed Asset Account Group is not presented. The amount that should be recorded in the General Fixed Asset Account Group is not known.

Compensated Absences – Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources has not been reported as an expenditure or a fund liability of the governmental fund that will pay it since the combined financial statements have been prepared on the regulatory basis of accounting. Vested accumulated rights to receive sick pay benefits have not been reported in the general long-term debt account group since the combined financial statements have been prepared on the regulatory basis of accounting. These practices differ from generally accepted accounting principles in the United States of America.

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

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

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

intact (such as the corpus of a permanent fund) and those that are *spendable* (such as fund balance associated with cash, investments or receivables).

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

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

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

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

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

G. Revenue, Expenses and Expenditures

Property Tax Revenues and Other Local Revenues - The District is authorized by state law to levy property taxes which consist of ad valorem taxes on real and personal property within the District. The County Assessor, upon receipt of the certification of tax levies from the County Excise Board, extends the tax levies on the 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 taxes become delinquent on April 1 of the year following the year of assessment. If not paid by the following October 1, the property is offered for sale for the amount of taxes due. The owner has two years to redeem the property by paying the taxes and penalty owed. If at the end of two years the owner has not done so, the purchaser is issued a deed to the property. No provision has been made for uncollected taxes, as all taxes deemed collectable. Other local sources of revenues include tuition, fees, rental, disposals, commissions, and reimbursements.

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

State Revenues - Revenues from state sources for current operations are primarily governed by the state aid formula under the provisions of Article XVIII, Title 70, Oklahoma Statutes. The State Board of Education administers the allocation of state aid funds to school districts based on information accumulated from the districts.

After review and verification of reports and supporting documentation, the State Department of Education may adjust subsequent fiscal period allocations of money for prior year errors disclosed by review. Normally, such adjustments are treated as reductions or additions of revenue of the year when the adjustment is made.

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

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

Non-Monetary Transactions — The District receives commodities from the U.S. Department of Agriculture. The value of these commodities has been included in the Schedule of Expenditures of Federal wards; however, they have not been reflected in the combined financial statements as either revenue or expense since they are not reported under the regulatory basis of accounting.

Interfund Transactions - Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund or expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers. There were no operating transfers or residual equity transfers during fiscal year 2024.

Use of Estimates – The preparation of financial statements in conformity with the regulatory basis of accounting requires management to make estimates and assumptions that effect the reported amounts 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. Accordingly, actual results could differ from those estimates.

2. Cash and Investments

The District's investment policies are governed by state statute. Permissible investments include direct obligations of the United States Government and Agencies; certificates of deposit of savings and loan associations, and bank and trust companies; and savings accounts or savings certificates of savings and loan associations, and trust companies; Collateral is required for demand deposits and certificates of deposit for all amounts not covered by federal deposit insurance. As of the current fiscal year end, \$3,121,376 was insured by FDIC or collateralized by the bank.

Therefore, the District's cash deposits and investments at June 30, 2024, were not exposed to Custodial Credit Risk, Investment Credit Risk, Investment Interest Rate Risk, or Concentration of Investment Credit Risk. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

3. Interfund Receivables and Payables

There were no interfund receivables and payables at June 30, 2024.

4. General Long-term Debt

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

The following is a summary of the changes in the long-term debt transactions of the District for the year ended June 30, 2024:

	Bonds Payable	Capital Lease Obligation	Total
Balance at July 1, 2024	\$ 710,000	\$ 675,909	\$ 1,385,909
Additions	300,000	657,000	957,000
Retirements	(270,000)	(125,794)	(395,794)
Balance at June 30, 2025	<u>\$ 740,000</u>	<u>\$ 1,207,115</u>	<u>\$ 1,947,115</u>

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

On June 1, 2023, the District issued building bonds in the amount of \$300,000. These are general obligation bonds with an interest rate of 4.00%. The first principal payment is due on April 1, 2026, Interest is payable annually on the 1st day of April.

On April 1, 2024, the District issued building bonds in the amount of \$120,000. These are general obligation bonds with an interest rate of 4.00%. The first principal payment is due on January 1, 2025, Interest is payable annually on the 1st day of January.

On May 1, 2020, the District issued building bonds in the amount of \$710,000. These are general obligation bonds with an interest rate of 1.00% to 1.80%. The first principal payment was due on May 1, 2021. Interest is payable semi-annually on the 1st day of May and November commencing on the 1st day of May, 2021.

On May 1, 2019, the District issued building bonds in the amount of \$360,000. These are general obligation bonds with an interest rate of 2.75% to 3.25%. The first principal payment was due on May 1, 2021. Interest is payable semi-annually on the 1st day of May and November commencing on the 1st day of May, 2020.

On May 1, 2018, the District issued building bonds in the amount of \$130,000. These are general obligation bonds with an interest rate of 3.25% to 4.00%. The first principal payment was due on May 1, 2020. Interest is payable semi-annually on the 1st day of May and November commencing on the 1st day of May 2019.

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

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 320,000	\$ 10,880	\$ 330,880
2026	320,000	5,840	325,840
2027	100,000	2,000	102,000
2028	-	-	-
2029	-	-	-
	<u>\$ 740,000</u>	<u>\$ 18,720</u>	<u>\$ 758,720</u>

On September 9, 2022, the District entered into a capital lease purchase agreement with Grand Savings Federal Bank for the classroom project. The lease was for \$166,225 at 2.17% for 5 years. The principal balance owed at June 30, 2024 is \$134,360

On May 26, 2023, the District entered into a capital lease purchase agreement with Grand Savings Federal Bank for LED lighting. The lease was for \$507,160 at 5.14% for 5 years. The principal balance owed at June 30, 2024 is \$415,755.

On February 15, 2024, the District entered into a capital lease purchase agreement with Grand Savings Federal Bank for the 2024 Project. The lease was for \$657,000 at 4.49% for 3 years. The principal balance owed at June 30, 2024 \$657,000.

As disclosed in Note 1 of the financial statements, the District does not record fixed assets in the financial statements. Consistent with this, the District has not recorded the leased equipment as assets in the General Fixed Assets Account Group. The District has recorded the liability for future lease payments in the General Long-term Debt Account Group.

	CLASS ROOM	LED LIGHTING	2024 PROJECT
Lessor:	Grand Savings Bank	Grand Savings Bank	Grand Savings Bank
Equipment:			
Date of Lease:	9/9/2022	5/26/2023	2/15/2024
Term of Lease:	5 years	5 years	3 years
Interest rate:	2.17%	5.14%	4.49%
Purchase Option:	Unpaid Balance	Unpaid Balance	Unpaid Balance
Annual renewal:	Yes	Yes	Yes

The annual commitment of these finance lease obligations are as follows:

2024-2025	\$ 35,442	\$ 117,613	\$ 99,915
2025-2026	35,442	117,613	500,000
2026-2027	35,442	117,613	125,000
2027-2028	35,412	117,682	-
Total minimum lease payments	141,737	470,522	724,915
Less interest amount	(7,377)	(54,768)	(67,915)
Net lease obligations	<u>\$ 134,360</u>	<u>\$ 415,755</u>	<u>\$ 657,000</u>

5. Other Post Employment Benefits

The District does not offer any early retirement incentive plans.

6. Employee Retirement System

The District participates in the state-administered Oklahoma Teachers' Retirement System (the "System"), which is a cost-sharing, multiple-employer public employee retirement system (PERS). Under the system, contributions are made by the District, the State of Oklahoma, and the participating employees.

Participation is required for all teachers and other certified employees and is optional for all other regular employees of public educational institutions who work at least 20 hours per week. A participant's date of membership is the date the first contribution is made to the System. The System is administered by a Board of Trustees which acts as a fiduciary for investing the funds and governing the administration of the System. The District has no responsibility or authority for the operation and administration of the System nor has it any liability, except for the current contribution requirements.

A participant with five years of creditable service may retire with a normal retirement allowance at the age of sixty-two or with reduced benefits as early as age fifty-five. The normal retirement allowance paid monthly for life and then to beneficiaries, if certain options are exercised, equals two percent of the average of the highest three earning years on contributory service multiplied by the number of years of credited service. A participant leaving employment before attaining retirement age, but completing ten years of service, may elect to vest his accumulated contributions and defer receipt of a retirement annuity until a later date.

When a participant dies in active service and has completed ten years of credited service, the beneficiary is entitled to a death benefit of \$18,000.00 and the participant's contributions plus interest. If the beneficiary is a surviving spouse, the surviving spouse may, in lieu of the death benefit, elect to receive, subject to the surviving spousal options, the participant's retirement benefits accrued at the time of death.

The contribution rates for the District, which are not actuarially determined, and its employees are established by law. The District is required by statute to contribute 9.5% of applicable compensation for the year ended June 30, 2024. The District is allowed by the Oklahoma Teacher’s Retirement System to make the required contributions on behalf of the participating members. The required contribution for participating members is 7%.

The District’s contributions to the System for the year ending:

June 30, 2024	\$ 469,394
June 30, 2023	\$ 410,959
June 30, 2022	\$ 380,531

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 Oklahoma Teachers’ Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the System.

The system issues an independent financial report, financial statements, and required supplementary information that may be obtained by writing to the Oklahoma Teachers' Retirement System, P.O. Box 53624, Oklahoma City, OK 73152 or by calling 405-521-2387.

7. Contingencies and Other Commitments

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

8. Risk Management

The District purchases commercial insurance policies covering property casualty loss, public liability, school board member and administrator liability, and workers compensation. The District also purchases surety bonds for employees in all positions required by state law to be bonded. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District.

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

COLCORD SCHOOL DISTRICT I-4
COMBINING STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES
ALL SPECIAL REVENUE FUNDS - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2024

	Building Fund	Child Nutrition Fund	Total
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash	\$ 834,574.86	\$ 71,385.49	\$ 905,960.35
Investments	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 834,574.86</u>	<u>\$ 71,385.49</u>	<u>\$ 905,960.35</u>
 LIABILITIES AND FUND BALANCE			
Liabilities:			
Outstanding warrants	\$ 2,865.00	\$ 29,351.45	\$ 32,216.45
Encumbrances	<u>2,025.12</u>	<u>2,341.87</u>	<u>4,366.99</u>
Total liabilities	4,890.12	31,693.32	36,583.44
Fund balances: restricted	<u>829,684.74</u>	<u>39,692.17</u>	<u>869,376.91</u>
Total liabilities and fund balances	<u>\$ 834,574.86</u>	<u>\$ 71,385.49</u>	<u>\$ 905,960.35</u>

The accompanying notes and auditor's reports are an integral part of these financial statements.

COLCORD SCHOOL DISTRICT I-4
COMBINING STATEMENT OF REVENUES COLLECTED, EXPENDITURES,
AND CHANGES IN FUND BALANCES - ALL SPECIAL REVENUE FUNDS - REGULATORY BASIS
JUNE 30, 2024

	Building Fund	Child Nutrition Fund	Total
Revenues Collected:			
District sources	\$ 165,172.54	\$ 24,602.87	\$ 189,775.41
Intermediate sources	-	-	-
State sources	283,790.70	5,355.68	289,146.38
Federal sources	220,375.00	592,914.15	813,289.15
Total revenues collected	<u>669,338.24</u>	<u>622,872.70</u>	<u>1,292,210.94</u>
Expenditures paid:			
Instruction	-	-	-
Support services	83,213.86	-	83,213.86
Non-instruction services	-	649,968.03	649,968.03
Capital outlay	184,517.79	-	184,517.79
Other outlays	-	-	-
Total expenditures paid	<u>267,731.65</u>	<u>649,968.03</u>	<u>917,699.68</u>
Excess of revenues collected over (under) expenditures before adjustments to prior year encumbrances	<u>401,606.59</u>	<u>(27,095.33)</u>	<u>374,511.26</u>
Adjustments to prior year encumbrances	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses)			
Operating transfers in & estopped warr.	2,000.00	3,524.31	5,524.31
Operating transfer in (out)	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>2,000.00</u>	<u>3,524.31</u>	<u>5,524.31</u>
Excess (deficiency) of revenues and other resources over expenditures and other uses	403,606.59	(23,571.02)	380,035.57
Fund balances: restricted, beginning of year	<u>426,078.15</u>	<u>63,263.19</u>	<u>489,341.34</u>
Fund balances: restricted, end of year	<u>\$ 829,684.74</u>	<u>\$ 39,692.17</u>	<u>\$ 869,376.91</u>

The accompanying notes and auditor's reports are an integral part of these financial statements.

COLCORD SCHOOL DISTRICT I-4
COMBINING STATEMENT OF REVENUES COLLECTED, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
SPECIAL REVENUE (BUILDING AND CHILD NUTRITION ONLY) FUNDS - REGULATORY BASIS
JUNE 30, 2024

	Special Revenue Funds				
	Building Fund		Child Nutrition Fund		
	Orig budget	Final budget	Actual	Orig budget	Final budget
Revenues collected:					
Local sources	\$ 75,442.64	\$ 75,442.64	165,172.54	\$ 2,738.25	\$ 2,738.25
Intermediate sources	-	-	-	-	-
State sources	-	-	283,790.70	4,258.84	4,258.84
Federal sources	-	-	220,375.00	558,702.93	558,702.93
Supplemental Revenue adjustments	-	-	-	-	70,874.65
Total revenues collected	75,442.64	75,442.64	669,338.24	565,700.02	636,574.67
Expenditures paid:					
Instruction	-	-	-	-	-
Support services	317,003.00	317,003.00	83,213.86	-	-
Non-instruction services	-	-	-	628,963.21	699,837.86
Capital outlay	184,517.79	184,517.79	184,517.79	-	-
Other outlays	-	-	-	-	-
Total expenditures paid	501,520.79	501,520.79	267,731.65	628,963.21	699,837.86
Excess of revenues collected over (under) expenditures before adjustments to prior year encumbrances	(426,078.15)	(426,078.15)	401,606.59	(63,263.19)	(63,263.19)
Adjustments to prior year encumbrances	-	-	-	-	-
Other financing sources (uses)	-	-	-	-	-
Operating transfers in & estopped warr	-	-	2,000.00	-	-
Operating transfers out	-	-	-	-	-
Total other financing sources (uses)	-	-	2,000.00	-	-
Excess (deficiency) of revenues and other resources over expenditures and other financing sources (uses)	(426,078.15)	(426,078.15)	403,606.59	(63,263.19)	(63,263.19)
Fund balances: restricted, beg. of year	426,078.15	426,078.15	426,078.15	63,263.19	63,263.19
Fund balances: restricted, end of year	\$ -	\$ -	\$ 829,684.74	\$ -	\$ -

The accompanying notes and auditor's reports are an integral part of these financial statements.

COLCORD SCHOOL DISTRICT I-4
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES
FIDUCIARY FUNDS-REGULATORY BASIS
JUNE 30, 2024

	Agency Fund <hr/> Activity Funds <hr/>
ASSETS	
Cash	\$ 99,188.93
Investments	-
Due from other funds	<hr/> -
Total assets	<hr/> <hr/> \$ 99,188.93
 LIABILITIES AND FUND EQUITY	
Liabilities:	
Due to student, parent and booster activities	\$ 99,188.93
Due to administrative activities	<hr/> -
Total liabilities	99,188.93
Fund balance:	
Reserved	-
Unreserved/undesignated	<hr/> -
Total fund balance	<hr/> -
Total liabilities and fund balances	<hr/> <hr/> \$ 99,188.93

The accompanying notes and auditor's reports are an integral part of these financial statements.

COLCORD SCHOOL DISTRICT I-4
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FIDUCIARY FUNDS - REGULATORY BASIS
JUNE 30, 2024

ACTIVITIES	Balance June 30, 2023	Additions	Deletions	Balance June 30, 2024
YEARBOOK	\$ 5,095.35	\$ 3,446.97	\$ 8,451.24	\$ 91.08
FAM/COMM SUPPORT	-	8,435.55	\$ 4,715.67	3,719.88
LITERACY GRANT	200.00	-	-	200.00
DUSTIN LEROY MEMORIAL SCHOLARSHIP FUND	-	-	-	-
ATHLETIC	19,925.44	173,120.02	159,684.53	33,360.93
STEM FUND	-	-	-	-
BAND	509.54	414.99	378.14	546.39
NATIONAL TECH HON SOC	150.00	-	-	150.00
ATHLETICS FUNDRAISING	0.15	-	-	0.15
CHOIR FUND	345.93	-	-	345.93
ATHLETICS ADVERTISING	861.11	500.00	735.00	626.11
FIRST GRADE SCHOOL SUPPLY	612.30	-	-	612.30
ELEMENTARY MISC "MODERN WOODSMAN"	0.39	-	-	0.39
ELEMENTARY LIBRARY	2,203.50	6,728.86	5,455.61	3,476.75
KINDERGARTEN FUND	452.50	-	413.66	38.84
ELEMENTARY VENDING	8,193.53	10,553.85	10,938.54	7,808.84
ELEMENTARY ATHLETICS	122.49	-	60.00	62.49
BPA	7.45	-	-	7.45
FFA GREENHOUSE	1,001.45	-	-	1,001.45
FFA FUND	1,162.61	102,855.75	102,946.92	1,071.44
AGRI SHOP	1,812.28	1,973.10	3,070.39	714.99
FCCLA	1,029.69	582.58	971.45	640.82
SCHOOL IMPROVEMENT	-	-	-	-
HS LIBRARY	680.31	-	122.90	557.41
INDIAN CLUB	265.86	-	-	265.86
JH CHEERLEADERS	1,267.88	2,785.74	2,598.63	1,454.99
ALT ED FUND	-	-	-	-
MISC FUND BLUES TUES	1,951.15	860.00	300.00	2,511.15
GOLF FUND	875.26	850.00	543.26	1,182.00
COLCORD SCHOOLS SCHOLARSHIP FD	3,120.00	3,450.00	3,500.00	3,070.00
ACADEMIC FUND	1,250.44	1,092.62	1,987.32	355.74
HS CHEERLEADERS	3,467.23	13,981.00	8,897.72	8,550.51
STUDENT COUNCIL	404.19	-	-	404.19
CROSS COUNTRY TRACK	1,747.81	870.00	1,827.73	790.08
SENIOR ACCOUNT	-	1,701.00	1,701.00	-
SOPHMORE ACCOUNT	1,661.82	1,516.93	872.51	2,306.24
MIDDLE SCHOOL VENDING	3,126.43	8,708.00	6,405.01	5,429.42
JUNIOR ACCOUNT	1,340.27	2,035.00	1,126.59	2,248.68
FRESHMAN ACCOUNT	1,662.78	411.85	1,032.51	1,042.12
BILL EARP MEMORIAL SCHOL. FUND	421.75	-	-	421.75
CONCESSION	2,032.22	7,032.32	6,019.82	3,044.72
DRAMA	186.89	-	-	186.89
LUNCH	-	15,492.39	15,492.39	-
RESOURCE FUND	2,217.75	1,323.37	1,287.17	2,253.95
ADVANCED PLACEMENT	966.02	-	-	966.02
DONICE HOWERTON JONES	-	-	-	-
ROBOTICS FUND	30.88	-	-	30.88
ART FUND	103.41	-	0	103.41
NATIVE AMERICAN PROGRAMS	3855.10	8,195.00	5625.41	6,424.69
TEACHERS APPRECIATION	1,318.66	-	206.66	1,112.00
	<u>\$ 77,639.82</u>	<u>\$ 378,916.89</u>	<u>\$ 357,367.78</u>	<u>\$ 99,188.93</u>

The accompanying notes and auditor's reports are an integral part of these financial statements.

MICHAEL W. GREEN

Certified Public Accountant

827 WEST LOCUST STREET
STILWELL, OK 74960
918-696-6298

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*

To the Board of Education
Colcord Public School, I-4
Colcord, Oklahoma

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying fund type and account group financial statements-regulatory basis of Colcord School District No. I-4 (the District) Colcord, Oklahoma as listed in the table of contents, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's financial statements, and have issued my report thereon dated March 13, 2025, which was adverse with respect to the presentation of the financial statements in conformity with accounting principles generally accepted in the United States because the presentation followed the regulatory basis of accounting for Oklahoma school districts and did not conform to the presentation requirements of the Governmental Accounting Standards Board. However, my report was qualified for the omission of general fixed asset account groups with respect to the presentation of financial statements on the regulatory basis of accounting authorized by the Oklahoma State Board of Education.

Internal Control over Financial Reporting

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

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

My 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 significant deficiencies or material weaknesses. Given these limitations during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of my audit, and

accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Regards,

A handwritten signature in black ink, appearing to read "Mike Green", written over a horizontal line.

Michael Green, CPA
Stilwell, Oklahoma
March 13, 2025

MICHAEL W. GREEN

Certified Public Accountant

827 WEST LOCUST STREET

STILWELL, OK 74960

918-696-6298

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

To the Board of Education
Colcord Public School, I-4
Colcord, Oklahoma

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

I have audited Colcord School District No. I-4's (the District) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2024. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In my opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). My responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of my report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

My objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on my audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of

internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

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

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

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

Report on Internal Control over Compliance

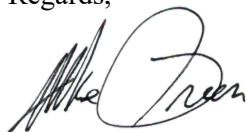
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

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

My audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of my testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Regards,



Michael Green, CPA
Stilwell, Oklahoma
March 13, 2025

COLCORD PUBLIC SCHOOL DISTRICT NO I-4
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2024

<u>Program</u>	<u>Federal CFDA Number</u>	<u>Expenditures</u>
<u>U.S. Department of Education</u>		
Direct Programs:		
Title VII - Impact Aid	84.041	35,442
Title VII Pt. A Indian Ed.	84.060	<u>\$ 103,134</u>
Sub Total		138,576
<u>Passed through Oklahoma State Dept. of Education:</u>		
Title I Part A Basic	84.010	359,475
ESSER Summer Learning & Enrichment Prg Grants	84.425U	105,575
ESSER Comprehensive Afterschool Program Grants	84.425U	238,121
Title V - Sub Pt 2 (SDE)(TitleVRLIS)	84.358B	21,039
ARP ESSER III - Counselor	84.425U	42,138
ARP ESSER III - Science of Reading	84.425U	646
ARP ESSER III	84.425U	<u>272,766</u>
Sub Total		1,039,761
Special Education Cluster:		
Special Ed Pro Devlp OSDE Sponsored	84.027	654
MON Assistance Special Ed Prof Devlp District	84.027	1,679
Flow Through	84.027	179,877
Flow Through-Part B, High Need Tier II Funds	84.027	119,855
Preschool 3-5	84.173	<u>3,931</u>
Total Special Education Cluster		<u>305,995</u>
Total U.S. Department of Education		1,484,333
<u>U.S. Department of the Interior</u>		
<u>Passed through BIA:</u>		
Johnson O'Malley	15.130	<u>15,541</u>
<u>U.S. Department of Agriculture</u>		
<u>Passed Through Oklahoma State Dept. of Education:</u>		
Child Nutrition Cluster		
National School Lunch Program	10.555	293,384
School Breakfast Program	10.553	118,005
Summer Food Service Program	10.559	4,840
Child & Adult Care	10.558	69,352
Child Nutrition - Commodity Supply Chain Assistance	10.555	48,747
Food Commodities	10.555	<u>22,729</u>
Child Nutrition Cluster Sub Total		<u>557,058</u>
Total Federal Assistance Expenditures		<u><u>\$ 2,056,931</u></u>

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

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

Note C: There were no amounts passed to subrecipients.

Note D: Grantor provides adequate insurance coverage against loss on assets purchased with Federal Awards.

Note E: The school district has elected not to use the 10 % de minimus cost rate.

The accompanying notes and auditor's reports are an integral part of these financial statements.

COLCORD SCHOOL DISTRICT I-4
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2024

SECTION I - SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of auditor's report issued:

With respect to conformity with Generally Accepted Accounting Principles	Adverse
With respect to the use of Regulatory basis of accounting and the omission of the general fixed asset group	Qualified

Internal control over financial reporting:

Material weakness(es) identified?	no
Reportable condition(s) identified not considered to be material weaknesses?	none reported
Noncompliance material to financial statements noted?	no

FEDERAL AWARDS

Internal Control over major programs:

Material weakness(es) identified?	no
Reportable condition(s) identified not considered to be material weaknesses?	none reported
Type of auditor's report issued on compliance for major programs:	unmodified
Any audit findings disclosed that are required to be reported in accordance with 2CFR 200.516(a)	none reported

The programs tested as major programs included:	<u>CFDA#</u>
Education Stabilization Fund	84.425
Title I Part A Basic	84.010

The threshold for distinguishing type A and B programs was: \$750,000.00.

The auditee does not qualify as a low-risk auditee.

SECTION II - FINANCIAL STATEMENT FINDINGS

None reported.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.

SECTION IV - PRIOR YEAR FINDINGS AND QUESTIONED COST

None reported.

**COLCORD SCHOOL DISTRICT I-4
SCHEDULE OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024**

<u>Program</u>	<u>Federal CFDA Number</u>	<u>Grantor's Number</u>	<u>Grant Award</u>	<u>Federal Grant Receipts</u>	<u>Expenditures</u>
<u>U.S. Department of Education</u>					
Direct Programs:					
Title VII - Impact Aid	84.041	591	-	233,636.00	\$ 35,441.85
Title VI - Part A	84.060	561	103,134.00	103,134.00	103,134.00
Sub Total					138,575.85
<u>Passed through Oklahoma State Dept. of Education:</u>					
Title I A	84.010	511	361,952.61	359,475.26	359,475.26
Title V - Sub Pt 2 (SDE)(TitleVRLIS)	84.358B	587	22,349.74	21,039.44	21,039.44
ESSER Summer Learning & Enrichment Prg Grants	84.425U	558	130,000.00	105,575.41	105,575.41
ESSER Comprehensive Afterschool Program Grants	84.425U	559	269,900.00	238,121.27	238,121.27
ARP ESSER III	84.425U	795	272,766.07	272,766.07	272,766.07
ARP ESSER - Counselor	84.425U	722	62,000.00	42,137.90	42,137.90
ARP ESSER III - Science of Reading	84.425U	726	646.00	646.00	646.00
Sub Total					1,039,761.35
Special Education Cluster:					
Special Ed Pro Devlp OSDE Sponsored	84.027	613	1,046.66	654.00	654.00
MON Assistance Special Ed Prof Devlp District	84.027	615	1,679.19	1,679.19	1,679.19
Flow Through	84.027	621	182,353.08	179,876.91	179,876.91
Flow Through-Part B High Need Tier II Funds	84.027	627	119,855.03	119,854.95	119,854.95
Preschool 3-5	84.173	641	3,932.63	3,930.54	3,930.54
Total Special Education Cluster					305,995.59
Total U.S. Department of Education					1,484,332.79
<u>U.S. Department of the Interior</u>					
<u>Passed through BIA:</u>					
Johnson O'Malley	15.130	563	15,720.00	15,699.98	15,540.77
<u>U.S. Department of Agriculture</u>					
<u>Passed through Oklahoma State Dept of Education:</u>					
Child Nutrition Cluster					
Lunches	10.555	763	-	320,454.86	293,384.01
Breakfasts	10.553	764	-	180,546.69	118,004.89
Summer Food Serv Prg	10.559	766	-	-	4,840.37
Child & Adult Care	10.558	769	-	69,352.14	69,352.14
Child Nutrition-Commodity Supply Chain Assis	10.555	759	-	-	48,746.75
Food Commodities	10.555	N/A	-	-	22,729.40
Child Nutrition Cluster Sub Total					557,057.56
Total Federal Assistance Expenditures					\$ 2,056,931.12

Note A: Food Distribution: Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed.

Note B: This schedule was prepared on a regulatory basis of accounting consistent with the preparation of the combined financial statements, except for the nonmonetary assistance noted in Note A.

Note C: None of the Federal grant/contracts included any loan programs, loan guarantee programs has no subrecipients and does not use the 10% de minimus cost rate.

The accompanying notes and auditor's reports are an integral part of these financial statements.

COLCORD SCHOOL DISTRICT NO I-4
SCHEDULE OF STATUTORY, FIDELITY, AND HONESTY BONDS
JUNE 30, 2024

Employee	Position	Bonded by	Policy #	Term	Amount
BUD SIMMONS	Superintendent	RLI INSURANCE	LSM0626111	07/01/2023-07/1/2024	100,000.00
SUZY HARRINGTON	TREASURER BOND	OHIO CASUALTY	601032458	07/01/2023-07/1/2024	100,000.00
ANGELA FRENCH	TREASURER BOND	OHIO CASUALTY	999366972	07/01/2023-07/1/2024	100,000.00
BLANKET BOND COVERS THE BELOW		WESTERN SURETY	69644806	01/15/2023-01/15/2024	250,000.00
CRYSTAL SHELLEY	Encumbrance Clerk				
SHARRON SIMMONS	Acitvity & C.N.F. Custodian				
SUZY HARRINGTON	Minute Clerk				