

**FINANCIAL STATEMENTS – REGULATORY BASIS  
AND REPORTS OF INDEPENDENT AUDITOR**

**COLLEGE BOUND ACADEMY CHARTER SCHOOL DISTRICT NO. E-017  
TULSA COUNTY, OKLAHOMA**

**JUNE 30, 2022**

Audited by

**BLEDSON, HEWETT & GULLEKSON  
CERTIFIED PUBLIC ACCOUNTANTS, PLLLP**

**BROKEN ARROW, OK**

COLLEGE BOUND ACADEMY CHARTER SCHOOL NO. E-017, TULSA COUNTY  
SCHOOL DISTRICT OFFICIALS  
JUNE 30, 2022

**BOARD OF DIRECTORS**

Chairman – Andrew Witter

Vice-Chair – Vacant

Clerk – Maria Ackermann Korphage

Members:

Christopher Mahnken

Christopher Gnaedig

Caleb Leggett

Julie Peters

Tom Hutto

Elian Hurtado

Sam Powell

Crystal Patrick

**HEAD OF SCHOOL**

Andrea Warren

**DISTRICT TREASURER**

Jack H. Jenkins, CPA

**ENCUMBRANCE CLERK**

Silvia Turmero

COLLEGE BOUND ACADEMY CHARTER SCHOOL NO. E-017, TULSA COUNTY  
JUNE 30, 2022

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## INDEPENDENT AUDITOR'S REPORT

To the Honorable Board of Education  
College Bound Academy Charter School Number E-017  
Tulsa, Tulsa County, Oklahoma

### *Report on the Audit of the Financial Statements*

We have audited the accompanying combined fund type and account group financial statements-regulatory basis of the College Bound Academy Charter School No. E-017, Tulsa, Tulsa County, Oklahoma (the School) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

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

In our opinion, except for the effects of the matter discussed in the "Basis for Qualified Opinion on Regulatory Basis of Accounting" section of our 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 School as of June 30, 2022, 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 1.

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

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" section of our 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 School as of June 30, 2022, or the revenues, expenses, and changes in net position and, where applicable, cash flows thereof for the year then ended.

### *Basis for Opinions*

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

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

As discussed in Note 1, the financial statements referred to above do not include the General Fixed Asset Account Group, which is a departure from the regulatory basis of accounting prescribed or permitted by the Oklahoma State Department of Education. The amount that should be recorded in the General Fixed Asset Account Group is not known.

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

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

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

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

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

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

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

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

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the fund type and account group financial statements-regulatory basis that collectively comprise the School's basic financial statements. The accompanying combining financial statements-regulatory basis and other supplementary information and schedule of expenditures of 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 our 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 1, 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*, we have also issued our report dated January 13, 2023, on our consideration of the School'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 School'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 School's internal control over financial reporting and compliance.

***Bledsoe, Hewett & Gullekson***

Bledsoe, Hewett & Gullekson  
Certified Public Accountants, PLLLP

January 13, 2023



**BLEDSON, HEWETT & GULLEKSON**  
CERTIFIED PUBLIC ACCOUNTANTS, PLLLP

Eric M. Bledsoe, CPA  
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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  
College Bound Academy Charter School Number E-017  
Tulsa, Tulsa 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 fund type and account group financial statements – regulatory basis of the College Bound Academy Charter School No. E-017, Tulsa, Tulsa County, Oklahoma (the School), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated January 13, 2023, 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 as provided by the Oklahoma State Department of Education. However, our report was qualified because the omission of the general fixed asset account group results in an incomplete presentation with respect to the presentation of financial statements on the regulatory basis of accounting authorized by the Oklahoma State Board of Education.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of School's internal control. Accordingly, we do not express an opinion on the effectiveness of School'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 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 School's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, non-compliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

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

*Bledsoe, Hewett & Gullekson*

Bledsoe, Hewett & Gullekson  
Certified Public Accountants, PLLLP

January 13, 2023



COLLEGE BOUND ACADEMY CHARTER SCHOOL NO. E-017, TULSA COUNTY  
DISPOSITION OF PRIOR YEAR'S SIGNIFICANT DEFICIENCIES AND MATERIAL  
INSTANCES OF NON-COMPLIANCE  
JUNE 30, 2022

There were no prior year significant deficiencies.

COLLEGE BOUND ACADEMY CHARTER SCHOOL NO. E-017, TULSA COUNTY  
SCHEDULE OF AUDIT RESULTS, FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2022

**Section 1** – Summary of Auditor’s Results:

1. An adverse opinion was issued on the combined financial statements in conformity with generally accepted accounting principles, and an unmodified opinion was issued on the combined financial statements in conformity with a regulatory basis of accounting prescribed by the Oklahoma State Department of Education.
2. The audit did not identify any material weaknesses and did not report any significant deficiencies considered to be material weaknesses, in the internal controls over financial reporting.
3. The audit disclosed no instances of noncompliance which are material to the financial statements.

**Section 2** – Findings relating to the financial statements required to be reported in accordance with GAGAS:

NONE

**COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS**

COLLEGE BOUND ACADEMY CHARTER SCHOOL NO. E-017, TULSA COUNTY  
 COMBINED STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE -  
 ALL FUND TYPES AND ACCOUNT GROUPS - REGULATORY BASIS  
 JUNE 30, 2022

	GOVERNMENTAL FUND TYPES	FIDUCIARY FUND TYPES	TOTALS
	GENERAL FUND	EXPENDABLE TRUST & AGENCY FUNDS	(MEMORANDUM ONLY)
<u>ASSETS</u>			
Cash and investments	\$ 1,811,105	280,457	2,091,562
<u>LIABILITIES AND FUND BALANCE</u>			
Liabilities:			
Warrants/checks payable	\$ 185,575		185,575
Encumbrances	27,569		27,569
Total liabilities	213,144	0	213,144
Fund Balance:			
Restricted		280,457	280,457
Unassigned	1,597,961		1,597,961
Cash fund balances	1,597,961	280,457	1,878,418
Total Liabilities and Fund Balance	\$ 1,811,105	280,457	2,091,562

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

COLLEGE BOUND ACADEMY CHARTER SCHOOL NO. E-017, TULSA COUNTY  
 COMBINED STATEMENT OF REVENUES COLLECTED, EXPENDITURES AND CHANGES  
 IN CASH FUND BALANCES - ALL GOVERNMENTAL FUND TYPES - REGULATORY BASIS  
 FOR THE YEAR ENDED JUNE 30, 2022

	GOVERNMENTAL FUND TYPES	FIDUCIARY FUND TYPES	TOTALS (MEMORANDUM ONLY)
	GENERAL FUND	GIFTS FUND	
Revenues Collected:			
Local sources	\$ 285,118	22,374	307,492
State sources	3,598,649		3,598,649
Federal sources	369,156		369,156
Interest earnings	5,862	1,755	7,617
Non-revenue receipts	200		200
Total revenues collected	<u>4,258,985</u>	<u>24,129</u>	<u>4,283,114</u>
Expenditures:			
Instruction	2,497,149		2,497,149
Support services	1,542,740		1,542,740
Operation of non-instructional services	150,208		150,208
Other outlays:			
Reimbursements	200		200
Clearing account	1,402		1,402
Charter schools	90,881		90,881
Total expenditures	<u>4,282,580</u>	<u>0</u>	<u>4,282,580</u>
Excess of revenues collected over (under) expenditures before other financing sources (uses)	(23,595)	24,129	534
Other financing sources (uses):			
Adjustments to prior year encumbrances	<u>147,603</u>	<u>0</u>	<u>147,603</u>
Excess of revenues collected over (under) expenditures	124,008	24,129	148,137
Cash fund balances, beginning of year	<u>1,473,953</u>	<u>256,328</u>	<u>1,730,281</u>
Cash fund balances, end of year	<u>\$ 1,597,961</u>	<u>280,457</u>	<u>1,878,418</u>

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

COLLEGE BOUND ACADEMY CHARTER SCHOOL NO. E-017, TULSA COUNTY  
 COMBINED STATEMENT OF REVENUES COLLECTED, EXPENDITURES AND  
 CHANGES IN CASH FUND BALANCES - BUDGETED GOVERNMENTAL FUND TYPES - REGULATORY BASIS  
 FOR THE YEAR ENDED JUNE 30, 2022

	GENERAL FUND		
	Original / Final Budget	Actual	Prior Year (Memorandum Only)
<b>Revenues Collected:</b>			
Local sources	\$ 87,000	285,118	514,048
State sources	3,439,338	3,598,649	3,187,141
Federal sources	661,658	369,156	514,989
Interest earnings		5,862	6,442
Non-revenue receipts		200	
Total revenues collected	4,187,996	4,258,985	4,222,620
<b>Expenditures:</b>			
Instruction	3,645,315	2,497,149	2,108,481
Support services	1,548,000	1,542,740	1,673,923
Operation of non-instructional services	151,000	150,208	3,093
<b>Other outlays:</b>			
Reimbursements	200	200	
Clearing account	1,700	1,402	
Charter schools	91,000	90,881	
Other uses/ Unbudgeted	224,734		
Total expenditures	5,661,949	4,282,580	3,785,497
Excess of revenues collected over (under) expenditures before other financing sources (uses)	(1,473,953)	(23,595)	437,123
<b>Other financing sources (uses):</b>			
Adjustments to prior year encumbrances	0	147,603	34,894
Excess of revenues collected over (under) expenditures	(1,473,953)	124,008	472,017
Cash fund balance, beginning of year	1,473,953	1,473,953	1,001,936
Cash fund balance, end of year	\$ 0	1,597,961	1,473,953

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

**NOTES TO COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS**

COLLEGE BOUND ACADEMY CHARTER SCHOOL NO. E-017, TULSA COUNTY  
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2022

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying financial statements of the College Bound Academy Charter School No. E-017 (the “School”), have been prepared in conformity with another comprehensive basis of accounting prescribed by the Oklahoma State Department of Education as authorized by Oklahoma Statutes. Accordingly, the accompanying financial statements are not intended to present financial position and results of operations in conformity with the accounting principles generally accepted in the United States of America. The School’s accounting policies are described in the following notes that are an integral part of the School’s financial statements.

**A. Reporting Entity**

College Bound Academy, Inc., an Oklahoma not-for profit corporation described in Internal Revenue Code Section 501(c)(3), was formed for the benefit of a school to be called College Bound Academy Charter School. The School was formed under provisions of the Oklahoma Charter Schools Act through a contract with Independent School District No. 1 of Tulsa County, Oklahoma (Tulsa Public Schools), as its sponsoring school, a political subdivision of the state. Approval was granted by the Oklahoma State Department of Education and School operations began in July 2015. The School is also 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 School 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 School is the Board of Education composed of at least seven appointed members and no more than fifteen appointed members. The appointed Head of School is the executive officer of the School.

In evaluating how to define the School, 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



COLLEGE BOUND ACADEMY CHARTER SCHOOL NO. E-017, TULSA COUNTY  
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

A. Reporting Entity – cont'd

units is the scope of public service. Application of this criterion involves considering whether the activity benefits the School and/or its citizens, or whether the activity is conducted within the geographic boundaries of the School 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 School is able to exercise oversight responsibilities. Based upon the application of these criteria, there are no potential component units included in the School's reporting entity.

B. Measurement Focus

The School 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 School 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 School 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.

COLLEGE BOUND ACADEMY CHARTER SCHOOL NO. E-017, TULSA COUNTY  
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

B. Measurement Focus - cont'd

Special Revenue Funds – Special revenue funds account for revenue sources that are restricted to expenditures for specific purposes. The special revenue funds for the School typically include the child nutrition funds. The School did not maintain a child nutrition fund during the 2021-22 fiscal year.

Child Nutrition Fund - The child nutrition fund consists of monies derived from federal and state financial assistance and food sales. This fund is used to account for the various nutrition programs provided to students. The School operates their child nutrition program within the general fund.

**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 School. The terms “non-expendable” and “expendable” refer to whether or not the School is under an obligation to maintain the trust principal. Agency funds generally are used to account for assets that the School holds on behalf of others as their agent and do not involve measurement of results of operation.

Expendable Trust Funds – Expendable trust funds typically include the gifts and endowments fund. The School maintained a gifts and endowment fund during the 2021-22 fiscal year.

Gifts and Endowments Fund – The gifts and endowments fund receives its assets by way of philanthropic foundations, individuals, or private organizations for which no repayment or special service to the contributor is expected. This fund is used to promote the general welfare of the School.

Agency Fund – The agency fund is the school activities fund which is used to account for monies collected principally through the fundraising efforts of students and school-sponsored groups. The administration is responsible, under the authority of the Board, for collecting, disbursing and accounting for these activity funds. The School did not maintain an agency fund during the 2021-22 fiscal year.

**Account Groups**

An account group is not a fund and consists of a self-balancing set of accounts used only to establish accounting control over long-term debt and fixed assets.

COLLEGE BOUND ACADEMY CHARTER SCHOOL NO. E-017, TULSA COUNTY  
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

B. Measurement Focus - cont'd

**Memorandum Only - Total Column**

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

C. Basis of Accounting and Presentation

The School 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* with certain modifications. This format differs significantly from that required by GASB 34.

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

- Encumbrances represented by purchase orders, contracts, and other commitments for the expenditure of monies are recorded as expenditures when approved.
- Investments are recorded as assets when purchased.
- Inventories of school supplies are recorded as expenditures and not as inventory assets.
- Warrants/checks payable are recorded as liabilities when issued.
- Long-term debt is recorded in the General Long-Term Debt Account Group and not in the basic financial statements.
- Compensated absences are recorded as expenditures when paid and not recorded as a liability.
- Fixed assets are recorded in the General Fixed Asset Account Group and not in the basic financial statements. Fixed assets are not depreciated.

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

COLLEGE BOUND ACADEMY CHARTER SCHOOL NO. E-017, TULSA COUNTY  
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2022

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd**

**C. Basis of Accounting and Presentation – cont'd**

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 the measurements made, regardless of the measurement focus applied. All governmental type funds are accounted for using the regulatory basis of accounting. Revenues are recognized when they are received rather than earned and expenditures are generally recognized when encumbered/reserved rather than at the time the related fund liability is incurred. These practices differ from accounting principles generally accepted in the United States.

**D. Budgets and Budgetary Accounting**

The School is required by state law to prepare an annual budget. The Board of Education must request an initial temporary appropriations budget from their County Excise Board before June 30. The School uses the temporary appropriation amounts as their legal expenditure limit until the annual Estimate of Needs is completed.

A budget is legally adopted by the Board of Education for all funds (with the exception of the trust and agency funds) that includes revenues and expenditures. No later than October 1, each Board of Education shall prepare a financial statement and Estimate of Needs to be filed with the applicable County Clerk and the State Department of Education.

The 2021-22 Estimate of Needs was not amended by any supplemental appropriations. Any amendments must be approved by the County Excise Board.

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 School. Unencumbered appropriations lapse at the end of each fiscal year. While the Debt Service Fund is a governmental fund, a comparison of budget to actual schedule is presented in the financial statements, although the Board can exercise no control of the revenue sources for this fund (except interest earnings), and no control over its expenditures.

COLLEGE BOUND ACADEMY CHARTER SCHOOL NO. E-017, TULSA COUNTY  
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

E. Assets, Liabilities and Fund Equity

Cash and Cash Equivalents – The School considers all cash on hand, demand deposit accounts, and highly liquid investments, with an original maturity of three months or less when purchased, to be cash and cash equivalents.

Investments – The School considers investments of direct obligations of the United States government and agencies, certificates of deposits, savings accounts or savings certificates with maturities of greater than three months. All investments are recorded at cost, which approximates market value.

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

Fixed Assets and Property, Plant and Equipment – The School does not own and has not purchased any fixed assets that would be considered material to the financial statements. The school entered into a lease agreement with Tulsa Public Schools for the use of the building in which they operate. The School also contracts with TransolPro, Inc. for transportation equipment (buses).

Warrants/Checks Payable – Warrants/checks are issued to meet the obligations for goods and services provided to the School. The School recognizes a liability for the amount of outstanding warrants/checks that have yet to be redeemed by the School's bank.

Encumbrances – Encumbrances represent commitments related to purchase orders, contracts, other commitments for expenditures or resources, and goods or services received by the School for which a warrant has not been issued. An expenditure is recorded and a liability is recognized for outstanding encumbrances at year end in accordance with the regulatory basis of accounting. While the regulatory basis that is used for the Debt Service Fund approximates full accrual accounting, the accruals recorded are reported to meet regulatory requirements, as opposed to the requirements of generally accepted accounting principles.

Compensated Absences – The School provides vacation and sick leave benefits in accordance with Title 70 of the Oklahoma Statutes, Article 6-104, which provides for annual sick leave and personal business days. School policy allows certified employees to accumulate such days to a maximum number of days. Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources had not been reported as an expenditure of the governmental fund that will pay it since the financial statements have been prepared on the regulatory basis of accounting. This practice differs from generally accepted accounting principles.

COLLEGE BOUND ACADEMY CHARTER SCHOOL NO. E-017, TULSA COUNTY  
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

E. Assets, Liabilities and Fund Equity – cont'd

Funds Held for School Organizations – Funds held for school organizations represent the funds received or collected from students or other cocurricular and extracurricular activities conducted in the School, control over which is exercised by the board of education. These funds are credited to the account maintained for the benefit of each particular activity within the school activity fund.

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 – 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.

***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

COLLEGE BOUND ACADEMY CHARTER SCHOOL NO. E-017, TULSA COUNTY  
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

E. Assets, Liabilities and Fund Equity – cont'd

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 purposes 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.

F. Revenue and Expenditures

Local Revenues – Revenue from local sources is the money generated from within the boundaries of the School and available to the School for its use. The School is authorized by state law to levy property taxes which consist of ad valorem taxes on real and personal property within the School. These property taxes are distributed to the School's general, building and sinking funds based on the levies approved for each fund. The County Assessor, upon receipt of the certification of tax levies from the county excise board, extends the tax levies on the tax rolls 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 in a timely manner, the entire tax becomes due and payable on January 2. Second half taxes become delinquent on April 1, of the year following the year of assessment. If not paid by the following October 1, the property is offered for sale for the amount of taxes due. The owner has two years to redeem the property by paying the taxes and penalty owed. If at the end of two years the owner has not done so, the purchaser is issued a deed to the property. Other local sources of revenues include tuition, fees, rentals, disposals, commissions and reimbursements.

Intermediate Revenues - Revenue from intermediate sources is the amount of money from funds collected by an intermediate administrative unit, or a political subdivision between the School and the state, and distributed to Schools in amounts that differ in proportion to those which are 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 Schools.

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

COLLEGE BOUND ACADEMY CHARTER SCHOOL NO. E-017, TULSA COUNTY  
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

F. Revenue and Expenditures – cont'd

disclosed by review. Normally, such adjustments are treated as reductions from or additions to the revenue of the year when the adjustment is made.

The School 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 passthrough from another government, such as the state. Entitlement is the amount of payment to which the School is entitled pursuant to an allocation formula contained in applicable statutes. All federal revenues received by the School are apportioned to the general fund.

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

Interest Earnings – Represent compensation for the use of financial sources over a period of time.

Non-Revenue Receipts – Non-revenue receipts represent receipts deposited into a fund that are not new revenues to the School, but the return of assets.

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 cocurricular activities. It may also be provided through some other approved medium, such as television, radio, telephone and correspondence. Included here are the activities of teacher assistants of any type (clerks, graders, teaching machines, etc.) which assist in the instructional process. The activities of tutors, translators and interpreters would be recorded here. Department chairpersons who teach for any portion of time are included here. Tuition/transfer fees paid to other LEAs would be included here.



COLLEGE BOUND ACADEMY CHARTER SCHOOL NO. E-017, TULSA COUNTY  
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

F. Revenue and Expenditures – cont'd

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 objectives of instruction, community services and enterprise programs, rather than as entities within themselves.

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

Facilities Acquisition and Construction Services Expenditures – Consists 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 improvements 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 School or a third-party administrator.

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

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

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers. There were no interfund transfers made during the 2021-22 fiscal year.

COLLEGE BOUND ACADEMY CHARTER SCHOOL NO. E-017, TULSA COUNTY  
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2022

**2. CASH AND INVESTMENTS**

*Custodial Credit Risk* – Custodial credit risk is the risk that in the event of a bank failure, the School’s deposits may not be returned to the School. The School’s cash deposits and investments at June 30, 2022 were \$2,091,562 at financial institutions, and were completely insured or collateralized by federal depository insurance, direct obligations of the U.S. Government, or securities held by the School or by its agent in the School’s name.

*Investment Interest Rate Risk* – Interest rate risk is the risk that changes in interest rates will adversely affect the fair market value of an investment. Due to the required liquidity for those investments, these funds have no defined maturity dates. The School does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses from increasing interest rates.

*Investment Credit risk* – Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. The School does not have a formal policy limiting its investment choices, other than the limitation of state law as follows:

- Direct obligations of the U.S. Government, its agencies and instrument to which the full faith and credit of the U.S. Government is pledged, or obligations to the payment of which the full faith and credit of the State is pledged.
- Certificates of deposit or savings accounts that are either insured or secured with acceptable collateral with in-state financial institutions, and fully insured certificates of deposit or savings accounts in out-of-state financial institutions.
- With certain limitation, negotiable certificates of deposit, prime bankers acceptances, prime commercial paper and repurchase agreements with certain limitations.
- County, municipal or school tax supported debt obligations, bond or revenue anticipation notes, money judgments, or bond or revenue anticipation notes of public trusts whose beneficiary is a county, municipality or school district.
- Notes or bonds secured by mortgage or trust deed insured by the Federal Housing Administrator and debentures issued by the Federal Housing Administrator, and in obligations of the National Mortgage Association.
- Money market funds regulated by the SEC and in which investments consist of the investments mentioned in the previous bullet items.

*Concentration of Investment Credit Risk* – The School places no limit on the amount it may invest in any one issuer.

COLLEGE BOUND ACADEMY CHARTER SCHOOL NO. E-017, TULSA COUNTY  
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2022

**3. INTERFUND RECEIVABLES AND PAYABLES**

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

**4. GENERAL LONG-TERM DEBT**

The District did not maintain any long-term debt as of June 30, 2022.

**5. EMPLOYEE RETIREMENT SYSTEM AND PLAN**

The School has chosen not to participate in the Oklahoma Teachers Retirement System.

The School offered a 401K plan to its employees. Under the plan, the employer will match 50% of employee contributions, not to exceed 3% of compensation. The percentage the employer will match is at the discretion of the School, dependent on year-end funding. During the 2021-22 fiscal year, employee contributions were \$98,628 and the School's matching contributions were \$40,482.

**6. COMMITMENTS**

Charter Contract – The school operates under a charter granted by Tulsa Public Schools (TPS). As the sponsoring organization, TPS exercises certain oversight responsibilities. Under this charter, the School has agreed to pay TPS an annual administrative fee equal to 3% of state aid revenue. The current charter contract is effective until June 30, 2022.

Building Lease – The School leases their building at 2525 South 101<sup>st</sup> East Avenue, Tulsa, Oklahoma 74129 (Eastside Academy Building) from TPS. The lease agreement is renewable annually and also includes terms and conditions for utilities, maintenance, and ground keeping. The School made lease payments totaling \$351,659 to TPS during the 2021-22 fiscal year.

**7. RISK MANAGEMENT**

The School 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 School purchases commercial insurance to cover these risks, including general and auto liability, property damage, public officials' liability, and workers compensation coverage. Settled claims resulting from risks have not exceeded the commercial insurance coverage in any of the past three fiscal years.

COLLEGE BOUND ACADEMY CHARTER SCHOOL NO. E-017, TULSA COUNTY  
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2022

**7. RISK MANAGEMENT – cont'd**

The School participates in a risk pool for Workers' Compensation coverage in which there is a transfer or pooling of risks among the participants of that pool. In accordance with GASB No. 10, the School reports the required contribution to the pool, net of refunds, as insurance expense. The risk pool is the Oklahoma School Assurance Group (OSAG), an organization formed for the purpose of providing workers' compensation coverage to participating schools in the State of Oklahoma. In that capacity, OSAG is responsible for providing loss control services and certain fiscal activities, including obtaining contract arrangements for the underwriting, excess insurance agreements, claims processing, and legal defense for any and all claims submitted to it during the plan year. As a member of OSAG, the School is required to pay fees set by OSAG according to an established payment schedule. A portion of the fees paid by the School goes into a loss fund for the School. The fee for the loss fund is calculated by projecting losses based on the school's losses for the last five years. OSAG provides coverage in excess of the Loss Fund so the School's liability for claim loss is limited to the balance of the loss fund. If the School does not use its loss fund in three years, it is returned to the School with no interest.

The School is also a member of the Oklahoma State School Boards Association (OSSBA) Employment Services program, which helps to cover the cost of unemployment claims. Depending on the level of membership the School elects, the School makes a deposit into an account administered by OSSBA or will make payments periodically as needed. The money contributed by each School earns interest and is fully insured. If the School has claims in excess of the amount in its account, it will be liable for the excess.

**8. CONTINGENCIES**

Federal Grants

Amounts received or receivable from grant 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 amounts, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the School expects such amounts, if any, to be immaterial.

Schedule of Expenditure of Federal Awards

The schedule shows the federal awards received and expended by the School during the 2021-22 fiscal year. The revised Uniform Guidance Audits of States, Local Governments and Non-Profit Organizations, established uniform audit requirements for nonfederal entities which expended more than \$750,000 in federal awards.

The School did not fall under this threshold during the 2021-22 fiscal year; therefore, this schedule is not required and is for information purposes only.

COLLEGE BOUND ACADEMY CHARTER SCHOOL NO. E-017, TULSA COUNTY  
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2022

**8. CONTINGENCIES – cont'd**

Litigation

School officials are not aware of any pending or threatened litigation, claims or assessments or unasserted claims or assessments against the School.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
REGULATORY BASIS**

COLLEGE BOUND ACADEMY CHARTER SCHOOL NO. E-017, TULSA COUNTY  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - REGULATORY BASIS  
 PREPARED FOR THE OKLAHOMA STATE DEPARTMENT OF EDUCATION  
 FOR THE YEAR ENDED JUNE 30, 2022

Federal Grantor / Pass Through Grantor / Program Title	Federal Assistance Listing Number	OCAS Project Number	Program or Award Amount	Balance at 7/1/21	Revenue Collected	Total Expenditures	Balance at 6/30/22
<b>U.S. DEPARTMENT OF EDUCATION - Passed Through State Department of Education:</b>							
Title I, Basic Program	84.010	511	\$ 197,555		98,991	186,338	87,347
Title I, Basic Program 2020-21	84.010	799		30,825	30,825		
Title II, Part A	84.367	541	29,610		29,610	29,610	
Title III, Part A	84.365	572	25,734		15,141	24,984	9,844
Title III, Part A 2020-21	84.365	799		2,190	2,190		
ARP IDEA-B Flow Through COVID-19	84.027X	628	25,081			21,581	21,581
ARP IDEA-B Preschool COVID-19	84.027X	643	1,423			1,423	1,423
IDEA-B Flowthrough	84.027	621	85,091		68,400	83,772	15,371
IDEA-B Professional Development District	84.027	615	832				
IDEA-B Preschool	84.173	641	644			644	644
IDEA-B Preschool 2020-21	84.173	799		501	501		
Title IV, Part A	84.424	552	12,475		12,475	12,475	
<b>COVID-19 Education Stabilization Fund (ESF) -</b>							
ESSER I	84.425D	788	8,802		8,802	8,802	
ESSER I 2020-21	84.425D	799		9,447	9,447		
ESSER II	84.425D	793	600,871				
ARP - ESSER III	84.425U	795	1,350,434				
Total COVID-19 - ESF			<u>1,960,107</u>	<u>9,447</u>	<u>18,249</u>	<u>8,802</u>	<u>0</u>
Sub Total			<u>2,338,552</u>	<u>42,963</u>	<u>276,382</u>	<u>369,629</u>	<u>136,210</u>
<b>U.S. DEPARTMENT OF AGRICULTURE - Passed Through State Department of Education</b>							
<b>Child Nutrition Programs</b>							
School Breakfast Program	10.553	764				97,220	
National School Lunch Program	10.555	763			37,379	37,379	
Emergency Operational Costs	10.555	762			40,850	35,087	
Supply Chain Assistance	10.555	759			13,931	10,990	
Sub Total					<u>92,160</u>	<u>180,676</u>	
<b>Other Child Nutrition Programs:</b>							
P-EBT	10.649	760			614	0	
Total Federal Assistance			<u>\$ 2,338,552</u>	<u>42,963</u>	<u>369,156</u>	<u>550,305</u>	<u>136,210</u>

**Note 1** - This schedule was prepared on a regulatory basis of accounting consistent with the preparation of the combined financial statements, except for the non-cash assistance noted in Note 2.

**Note 2** - Food Distribution - Non-cash assistance is reported in this schedule at the fair market value of the commodities received and disbursed.

**Note 3** - None of the federal programs include any loan programs, loan guarantee programs, has no sub-recipients and does not use the 10% de minimus indirect cost rate.

COLLEGE BOUND ACADEMY CHARTER SCHOOL NO. E-017, TULSA COUNTY  
 STATEMENT OF STATUTORY, FIDELITY AND HONESTY BONDS  
 FOR THE YEAR ENDED JUNE 30, 2022

<u>BONDING COMPANY</u>	<u>POSITION COVERED</u>	<u>BOND NUMBER</u>	<u>COVERAGE AMOUNT</u>	<u>EFFECTIVE DATES</u>
Liberty Mutual Surety	Head of School	601104365	\$ 100,000	7/1/21 - 7/1/22
	Payroll/Treasurer	601104365	100,000	7/1/21 - 7/1/22
	Encumbrance Clerk	601104365	1,000	7/1/21 - 7/1/22
	Minutes Clerk	601104365	1,000	7/1/21 - 7/1/22
	Chief Academic Officer	601104365	100,000	7/1/21 - 7/1/22



COLLEGE BOUND ACADEMY CHARTER SCHOOL NO. E-017, TULSA COUNTY  
SCHEDULE OF ACCOUNTANT'S PROFESSIONAL LIABILITY INSURANCE AFFIDAVIT  
JULY 1, 2021 TO JUNE 30, 2022

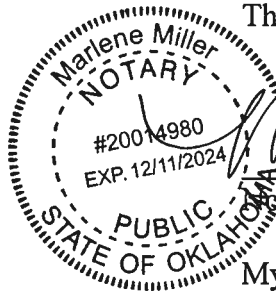
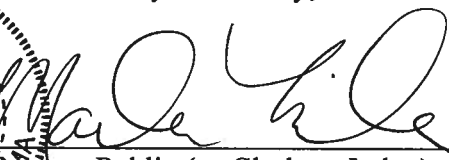
State of Oklahoma            )  
  ) ss  
County of Tulsa             )

The undersigned auditing firm of lawful ages, 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 College Bound Academy Charter School for the audit year 2021-22.

Bledsoe, Hewett & Gullekson  
Certified Public Accountants, PLLLP  
Auditing Firm

By   
\_\_\_\_\_  
Authorized Agent

Subscribed and sworn to before me  
This 13<sup>th</sup> day of January, 2023

   
\_\_\_\_\_  
Notary Public (or Clerk or Judge)

My Commission Expires: 12/11/2024  
Commission No. 20014980



**BLED SOE, HEWETT & GULLEKSON**  
CERTIFIED PUBLIC ACCOUNTANTS, PLLLP

Eric M. Bledsoe, CPA  
Jeffrey D. Hewett, CPA  
Christopher P. Gullekson, CPA

P.O. BOX 1310 • 121 E. COLLEGE ST. • BROKEN ARROW, OK 74013 • (918) 449-9991 • (800) 522-3831 • FAX (918) 449-9779

January 13, 2023

Ms. Andrea Warren, Head of School  
College Bound Academy Charter School  
2525 S. 101<sup>st</sup> East Ave.  
Tulsa, Oklahoma 74129

Dear Ms. Warren:

Listed below are the observations and recommendations from the final audit work we performed for you. Please review them very carefully, along with the review copy of your audit report. If you have questions or desire additional information, please call us so that any discrepancies may be resolved.

**No Audit Exceptions**

We take this opportunity to thank you and your professional staff for the outstanding cooperation and invaluable assistance you gave us during our recent onsite audit work.

Sincerely,

Eric M. Bledsoe

For

Bledsoe, Hewett & Gullekson  
Certified Public Accountants, PLLLP