

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

**DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77,  
CARTER COUNTY, OKLAHOMA**

**JUNE 30, 2022**

Audited by

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

**BROKEN ARROW, OK**

DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER COUNTY  
SCHOOL DISTRICT OFFICIALS  
JUNE 30, 2022

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DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER COUNTY  
JUNE 30, 2022

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JUNE 30, 2022

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## INDEPENDENT AUDITOR'S REPORT

To the Honorable Board of Education  
Dickson Independent School District No. 77  
Ardmore, Carter 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 Dickson Independent School District No. 77, Ardmore, Carter County, Oklahoma (the District) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District'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 District 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 District 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 District 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 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 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 District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

Our 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 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 our 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.

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 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 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 December 16, 2022, on our consideration of the District'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 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.

***Bledsoe, Hewett & Gullekson***

Bledsoe, Hewett & Gullekson  
Certified Public Accountants, PLLLP

December 16, 2022



**BLED SOE, 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  
Dickson Independent School District No. 77  
Ardmore, Carter 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 Dickson Independent School District No. 77, Ardmore, Carter County, Oklahoma (the District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 16, 2022, 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 District'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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of 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 entity's financial statements will not be prevented or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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



## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 District'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

December 16, 2022



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

To the Honorable Board of Education  
Dickson Independent School District No. 77  
Ardmore, Carter County, Oklahoma

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the Dickson Independent School District No. 77, Ardmore, Carter County, Oklahoma'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, 2022. 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 our 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, 2022.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and 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). Our responsibilities under those standards and the Uniform Guidance are further described in the "Auditor's Responsibilities for the Audit of Compliance" section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our 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***

Our 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 our 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 non-compliance 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, we:

- 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 we 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.

We are 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.

Our 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 our audit we did not identify any deficiencies in internal control over compliance that we 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.

Our 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 our 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.

*Bledsoe, Hewett & Gullekson*

Bledsoe, Hewett & Gullekson  
Certified Public Accountants, PLLLP

December 16, 2022

DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER COUNTY  
DISPOSITION OF PRIOR YEAR'S SIGNIFICANT DEFICIENCIES AND  
MATERIAL INSTANCES OF NON-COMPLIANCE  
JUNE 30, 2022

There were no prior year significant deficiencies.

DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER 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 the conformity with the generally accepted accounting principles, and a qualified opinion was issued for the omission of the general fixed asset account group on the combined financial statements in conformity with the 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 not 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.
4. The audit did not identify any material weaknesses and did not report any significant deficiencies not considered to be material weaknesses in the internal controls over major programs.
5. An unmodified report was issued on compliance for major programs in conformity with the regulatory basis of accounting.
6. The audit disclosed no audit findings which are required to be reported under the Uniform Guidance, 2 CFR 200.51(a).
7. Programs determined to be major are the COVID-19 Education Stabilization Fund-ESSER/ARP/CARES Act Programs (84.425D, 84.425U), which were not clustered in determination.
8. The dollar threshold used to determine between Type A and Type B programs was \$750,000.
9. The auditee was determined not to be a low-risk auditee.

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

NONE

**Section 3** – Findings and questioned costs for federal awards:

NONE

**COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS**

DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER 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	ACCOUNT GROUP	TOTALS (MEMORANDUM ONLY)		
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS				GENERAL	LONG-TERM DEBT
<b>ASSETS</b>									
Cash	\$ 4,067,839	1,828,153	1,306,188	1,373,610	345,937	1,306,188	8,921,727		
Amounts available in debt service Amount to be provided for retirement of long-term debt							1,306,188		
Total Assets	\$ 4,067,839	1,828,153	1,306,188	1,373,610	345,937	5,805,173	5,805,173		
						7,111,361	16,033,088		
<b>LIABILITIES AND FUND BALANCE</b>									
Liabilities:									
Warrants/checks payable	\$ 371,482	3,899					375,381		
Encumbrances	564,324	155,225					719,549		
Funds held for school organizations					345,937		345,937		
Long-term debt:									
Bonds payable						3,385,000	3,385,000		
Capital leases						3,726,361	3,726,361		
Total liabilities	935,806	159,124	0	0	345,937	7,111,361	8,552,228		
Fund Balance:									
Restricted		1,669,029	1,306,188	1,373,610			4,348,827		
Unassigned	3,132,033						3,132,033		
Cash fund balances	3,132,033	1,669,029	1,306,188	1,373,610	0	0	7,480,860		
Total Liabilities and Fund Balance	\$ 4,067,839	1,828,153	1,306,188	1,373,610	345,937	7,111,361	16,033,088		

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



DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER 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				TOTALS (MEMORANDUM ONLY)
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	
<b>Revenues Collected:</b>					
Local sources	\$ 1,989,149	305,565	1,270,281		3,564,995
Intermediate sources	381,779	384,116			765,895
State sources	7,124,177				7,124,177
Federal sources	2,499,029				2,499,029
Interest earnings	6,426		404		6,830
Non-revenue receipts	68,770				68,770
<b>Total revenues collected</b>	<u>12,069,330</u>	<u>689,681</u>	<u>1,270,685</u>	<u>0</u>	<u>14,029,696</u>
<b>Expenditures:</b>					
Instruction	7,253,193	63,162			7,316,355
Support services	4,244,450	313,452			4,557,902
Operation of non-instructional services	655,867				655,867
Facilities acquisition & construction services	2,842			1,115,250	1,118,092
Debt service requirements			163,638		163,638
<b>Total expenditures</b>	<u>12,156,352</u>	<u>376,614</u>	<u>163,638</u>	<u>1,115,250</u>	<u>13,811,854</u>
Excess of revenues collected over (under) over (under) expenditures before other financing sources (uses)	(87,022)	313,067	1,107,047	(1,115,250)	217,842
<b>Other financing sources (uses):</b>					
Bond sale proceeds				1,140,000	1,140,000
Adjustments to prior year expenditures	193,988	263,484			457,472
<b>Total other financing sources</b>	<u>193,988</u>	<u>263,484</u>	<u>0</u>	<u>1,140,000</u>	<u>1,597,472</u>
Excess of revenues collected over (under) expenditures	106,966	576,551	1,107,047	24,750	1,815,314
Cash fund balances, beginning of year	3,025,067	1,092,478	199,141	1,348,860	5,665,546
Cash fund balances, end of year	<u>\$ 3,132,033</u>	<u>1,669,029</u>	<u>1,306,188</u>	<u>1,373,610</u>	<u>7,480,860</u>

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

DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER 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)
Revenues Collected:			
Local sources	\$ 1,790,000	1,989,149	1,931,082
Intermediate sources	344,643	381,779	376,519
State sources	6,311,031	7,124,177	6,202,022
Federal sources	2,151,536	2,499,029	1,632,390
Interest earnings		6,426	5,732
Non-revenue receipts		68,770	135,645
Total revenues collected	10,597,210	12,069,330	10,283,390
Expenditures:			
Instruction	13,622,277	7,253,193	6,364,785
Support services		4,244,450	2,937,062
Operation of non-instructional services		655,867	519,306
Facilities acquisition & construction services		2,842	5,335
Total expenditures	13,622,277	12,156,352	9,826,488
Excess of revenue collected over (under) expenditures before other financing sources (uses)	(3,025,067)	(87,022)	456,902
Other financing sources (uses):			
Adjustments to prior year encumbrances	0	193,988	547,546
Excess of revenue collected over (under) expenditures	(3,025,067)	106,966	1,004,448
Cash fund balance, beginning of year	3,025,067	3,025,067	2,020,619
Cash fund balance, end of year	\$ 0	3,132,033	3,025,067

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

DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER 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

	SPECIAL REVENUE FUNDS		
	Original/Final Budget	Actual	Prior Year (Memorandum Only)
Revenues Collected:			
Local sources	\$ 255,508	305,565	599,208
Intermediate sources		384,116	
Total revenue	255,508	689,681	599,208
Expenditures:			
Instruction	1,347,986	63,162	196,944
Support services		313,452	373,060
Facilities acquisition & construction services			4,500
Total expenditures	1,347,986	376,614	574,504
Excess of revenue collected over (under) expenditures before other financing sources (uses)	(1,092,478)	313,067	24,704
Other financing sources (uses):			
Adjustments to prior year encumbrances	0	263,484	213,665
Excess of revenue collected over (under) expenditures	(1,092,478)	576,551	238,369
Cash fund balance, beginning of year	1,092,478	1,092,478	854,109
Cash fund balance, end of year	\$ 0	1,669,029	1,092,478

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

DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER 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

	DEBT SERVICE FUND		
	Original/Final Budget	Actual	Prior Year (Memorandum Only)
Revenues Collected:			
Local sources	\$ 1,216,272	1,270,281	1,154,693
Interest earnings		404	
Non-revenue receipts			635
Total revenue	1,216,272	1,270,685	1,155,328
Requirements:			
Bonds	1,240,000	130,000	910,000
Coupons	38,095	33,338	81,445
Agency fees		300	
Total expenditures	1,278,095	163,638	991,445
Excess of revenues collected over (under) expenditures	(61,823)	1,107,047	163,883
Cash fund balance, beginning of year	199,141	199,141	35,258
Cash fund balance, end of year	\$ 137,318	1,306,188	199,141

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

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

DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER 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 Dickson Public Schools Independent District, No. 77 (the “District”), 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 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 five 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. However, 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

DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER 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**

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.

DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER 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. Special revenue funds include the District’s building, co-op, municipal sales tax and child nutrition funds. The District did not maintain a child nutrition or co-op fund during the 2021-22 fiscal year.

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

Co-op Fund – The co-op fund is established when the boards of education of two or more school districts enter into cooperative agreements and maintain joint programs. The revenues necessary to operate a cooperative program can come from federal, state, or local sources, including the individual contributions of participating school districts. The expenditures for this fund would consist of those necessary to operate and maintain the joint programs.

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 District operates their child nutrition program within the general fund.

Municipal Sales Tax Fund - The municipal sales tax fund consists of money derived from special sales tax on behalf of the school district. These funds are to be kept separate and expended only for those items addressed in the tax levy agreement.

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 (including judgments) 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.



DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER 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**

**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. The terms “non-expendable” 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 operation.

Expendable Trust Funds – Expendable trust funds typically include the gifts and endowments fund. The District did not maintain an expendable trust 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 District.

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 District-sponsored groups. The administration is responsible, under the authority of the Board, for collecting, disbursing and accounting for these activity funds.

**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.

General Long-Term Debt Account Group – This account group is established to account for all the 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 other liabilities (judgments and lease purchases) which are to be paid from funds provided in future years.

General Fixed Assets Account Group – This account group is used by governments to account for the property, plant and equipment of the school district. The District does not have the information necessary to include this group in its financial statements.

DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER 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 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* 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.

DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER 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 District 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 District 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 District. 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.

DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER 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 District 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 District 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 District has not maintained a record of general fixed assets, and, accordingly, a General Fixed Assets Account Group required by the regulatory basis of accounting prescribed by the Oklahoma State Department of Education is not included in the financial statements. General fixed assets purchased are recorded as expenditures in the various funds at the time of purchase.

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

Encumbrances – Encumbrances represent commitments related to purchase orders, contracts, other commitments for expenditures or resources, and goods or services received by the District 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 District 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. District 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.

DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER 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 District, 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 *non-spendable* (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.

DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER 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

*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 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 District and available to the District for its use. 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. These property taxes are distributed to the District'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 District and the state and distributed to Districts in amounts that differ in proportion to those which are collected within such systems.

DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER 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**

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 from or additions to the 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 passthrough 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 deposits child nutrition fund federal revenues into the general fund.

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 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 District, but the return of assets.

DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER 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**

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.

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 District or a third-party administrator.

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



DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER 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**

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.

**2. CASH AND INVESTMENTS**

Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank failure, the District’s deposits may not be returned to the District. The District’s cash deposits and investments at June 30, 2022 were \$8,948,025 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 District or by its agent in the District’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 District 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 District 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.

DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER COUNTY  
 NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS  
 FOR THE YEAR ENDED JUNE 30, 2022

**2. CASH AND INVESTMENTS – cont’d**

- County, municipal or school district 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 District places no limit on the amount it may invest in any one issuer.

**3. INTERFUND RECEIVABLES AND PAYABLES**

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

**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 of the date of issue.

General long-term debt of the District consists of building bonds payable and capital leases. Debt service requirements for bonds and judgments are paid solely from the fund balance and the future revenues of the debt service fund, and capital lease obligations are paid from other funds.

The following is a summary of the long-term debt transactions of the District for the year ended June 30, 2022:

	Bonds Payable	Capital Leases	Total
Balance, July 1, 2021	\$ 2,375,000	4,505,565	6,880,565
Additions	1,140,000	138,191	1,278,191
Deletions	(130,000)	(917,395)	(1,047,395)
Balance, June 30, 2022	\$ 3,385,000	3,726,361	7,111,361

DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER COUNTY  
 NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS  
 FOR THE YEAR ENDED JUNE 30, 2022

**4. GENERAL LONG-TERM DEBT – cont'd**

A brief description of the outstanding long-term debt at June 30, 2022 is set forth below:

<u>General Obligation Bonds:</u>	<u>Amount Outstanding</u>
Combined Purpose Bonds, Series 2019, original issue \$1,260,000, interest rate of 1.95%, due in an initial installment of \$130,000, and then a final installment of \$1,130,000, due on 11/1/22	\$ 1,130,000
Combined Purpose Bonds, Series 2021, original issue \$1,115,000, interest rate of 0.60%, due in an initial installment of \$110,000 on 1/1/22, and then a final installment of \$1,005,000, due on 1/1/23	1,115,000
Combined Purpose Bonds, Series 2022, original issue \$1,140,000, interest rate of 1.20% to 1.50%, due in an initial installment of \$315,000, and then a final installment of \$825,000, due on 3/1/25	1,140,000
 <u>Capital Leases:</u>	
Lease purchase for 2016 Dickson Public School Project, dated 9/1/16, for \$5,200,000, due in annual principal and interest installments of varying amounts, final payment due 8/25/25 (see below)	3,582,600
Lease Purchase for LED lighting, dated 6/12/18, totaling \$82,108, due in monthly principal and interest installments of \$1,869, until 2022	5,570
Lease Purchase for real property, dated 2/11/22, totaling \$138,191, due in annual principal and interest installments of \$31,297, until 2027	<u>138,191</u>
Total	<u>\$ 7,111,361</u>

DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER COUNTY  
 NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS  
 FOR THE YEAR ENDED JUNE 30, 2022

**4. GENERAL LONG-TERM DEBT – cont’d**

2016 Dickson Public Schools Project

On September 1, 2016, an agreement was entered into between Carter County Public Facilities Authority, and BancFirst, to issue certificates of participation evidencing proportional interests in rental payments to be made pursuant to a lease purchase agreement between Carter County Public Facilities Authority and the Independent School District No. 77, Carter County (Dickson Public Schools) in the form of \$5,200,000 Series 2016 Bonds, to provide funds for the purpose of constructing and equipping buildings in the district.

Future Debt Requirements

The annual debt service requirements for the retirement of the bonds and leases payable, including the payment of principal and interest, are as follows:

Year Ending June 30	Principal	Interest	Total
2023	\$ 2,166,585	53,849	2,220,434
2024	2,242,104	30,688	2,272,792
2025	1,748,239	19,083	1,767,322
2026	924,423	4,023	928,446
2027	30,009	1,288	31,297
Total	<u>\$ 7,111,361</u>	<u>108,931</u>	<u>7,220,292</u>

Interest paid on general long-term debt during the 2021-22 fiscal year totaled \$37,020.

**5. EMPLOYEE RETIREMENT SYSTEM**

Description of Plan

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

DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER COUNTY  
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2022

**5. EMPLOYEE RETIREMENT SYSTEM – cont'd**

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

Basis of Accounting

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

Funding Policy

The District, the State of Oklahoma, and the participating employee make contributions. The contribution rates for the District and its employees are established by and may be amended by Oklahoma Statutes. The rates are not actuarially determined. The rates are applied to the employee's earnings plus employer-paid fringe benefits. The required contribution for the participating members is 7.0% of compensation. Contributions received by the System from the State of Oklahoma are used to offset required employer contributions by the local school district. For the 2021-22 fiscal year, the District contributed 9.5% and the State of Oklahoma contributed the remaining amount during the year. The District is allowed by Oklahoma Teachers' Retirement System to make the required contributions on behalf of the participating members. In addition, if a member's salary is paid in part by federal or private funds, the contribution on that portion of the salary paid by those funds must be matched by the District at 7.70%.

Annual Pension Cost

The District's total contributions for 2022, 2021 and 2020 were \$1,105,959, \$934,995 and \$967,377, respectively. Ten-year historical trend information is presented in the Teacher's Retirement System of Oklahoma Annual Report for the year ended June 30, 2022. This information is useful in assessing the pension plan's accumulation of sufficient assets to pay pension benefits as they become due. Please visit [www.ok.gov/TRS](http://www.ok.gov/TRS) for all plan information.

DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER COUNTY  
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2022

**5. EMPLOYEE RETIREMENT SYSTEM – cont'd**

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

**6. RISK MANAGEMENT**

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

The District 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 District 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 District is required to pay fees set by OSAG according to an established payment schedule. A portion of the fees paid by the District goes into a loss fund for the District. 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 District's liability for claim loss is limited to the balance of the loss fund. If the District does not use its loss fund in three years, it is returned to the District with no interest.

The District 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 which level of membership the District elects, the District makes a deposit into an account administered by OSSBA, or will make payments periodically as needed. The money contributed by each District earns interest and is fully insured. If the District has claims in excess of the amount in its account, it will be liable for the excess.

DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER COUNTY  
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2022

**7. 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 District 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 District during the 2021-22 fiscal year. The 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.

Litigation

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

**SUPPLEMENTARY INFORMATION**



DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER COUNTY  
 COMBINING STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE -  
 ALL SPECIAL REVENUE FUNDS - REGULATORY BASIS  
 JUNE 30, 2022

	BUILDING FUND	MUNICIPAL SALES TAX FUND	TOTAL
<u>ASSETS</u>			
Cash	\$ 967,135	861,018	1,828,153
	967,135	861,018	1,828,153
 <u>LIABILITIES AND FUND BALANCE</u>			
Liabilities:			
Warrants/checks payable	\$ 3,429	470	3,899
Encumbrances	43,940	111,285	155,225
Total liabilities	47,369	111,755	159,124
Fund Balance:			
Restricted	919,766	749,263	1,669,029
Total Liabilities and Fund Balance	\$ 967,135	861,018	1,828,153

DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER COUNTY  
 COMBINING STATEMENT OF REVENUES COLLECTED, EXPENDITURES AND CHANGES  
 IN CASH FUND BALANCES - ALL SPECIAL REVENUE FUNDS - REGULATORY BASIS  
 FOR THE YEAR ENDED JUNE 30, 2022

	BUILDING FUND	MUNICIPAL SALES TAX FUND	TOTAL
Revenues Collected:			
Local sources	\$ 305,565		305,565
Intermediate sources		384,116	384,116
Total revenues collected	<u>305,565</u>	<u>384,116</u>	<u>689,681</u>
Expenditures:			
Instruction		63,162	63,162
Support services	158,467	154,985	313,452
Total expenditures	<u>158,467</u>	<u>218,147</u>	<u>376,614</u>
Excess of revenues collected over (under) expenditures before other financing sources (uses)	147,098	165,969	313,067
Other financing sources (uses):			
Adjustments to prior year encumbrances	<u>98,309</u>	<u>165,175</u>	<u>263,484</u>
Excess of revenues collected over (under) expenditures	245,407	331,144	576,551
Cash fund balances, beginning of year	<u>674,359</u>	<u>418,119</u>	<u>1,092,478</u>
Cash fund balances, end of year	<u>\$ 919,766</u>	<u>749,263</u>	<u>1,669,029</u>

DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER COUNTY  
 COMBINING STATEMENT OF REVENUES COLLECTED, EXPENDITURES AND CHANGES  
 IN CASH FUND BALANCES - BUDGET AND ACTUAL COMPARISON  
 ALL SPECIAL REVENUE FUNDS - REGULATORY BASIS  
 FOR THE YEAR ENDED JUNE 30, 2022

	BUILDING FUND			MUNICIPAL SALES TAX FUND		
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL
Revenues Collected:						
Local sources	\$ 255,508	255,508	305,565	\$		384,116
Intermediate sources						
Total revenues collected	<u>255,508</u>	<u>255,508</u>	<u>305,565</u>	<u>0</u>	<u>0</u>	<u>384,116</u>
Expenditures:						
Instruction	929,867	929,867	158,467	418,119	418,119	63,162
Support services						154,985
Total expenditures	<u>929,867</u>	<u>929,867</u>	<u>158,467</u>	<u>418,119</u>	<u>418,119</u>	<u>218,147</u>
Excess of revenues collected over (under) expenditures before other financing sources (uses)	(674,359)	(674,359)	147,098	(418,119)	(418,119)	165,969
Other financing sources (uses):						
Adjustment to prior year encumbrances	<u>0</u>	<u>0</u>	<u>98,309</u>	<u>0</u>	<u>0</u>	<u>165,175</u>
Excess of revenues collected over (under) expenditures	(674,359)	(674,359)	245,407	(418,119)	(418,119)	331,144
Cash fund balances, beginning of year	<u>674,359</u>	<u>674,359</u>	<u>674,359</u>	<u>418,119</u>	<u>418,119</u>	<u>418,119</u>
Cash fund balances, end of year	<u>\$ 0</u>	<u>0</u>	<u>919,766</u>	<u>\$ 0</u>	<u>0</u>	<u>749,263</u>

DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER COUNTY  
 COMBINING STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE -  
 ALL CAPITAL PROJECTS FUNDS - REGULATORY BASIS  
 JUNE 30, 2022

	<u>BUILDING BOND (31) FUND</u>	<u>BUILDING BOND (32) FUND</u>	<u>COMBINED PURPOSE BOND (33) FUND</u>	<u>TOTAL</u>
<u>ASSETS</u>				
Cash	\$ 952,837	13,583	407,190	1,373,610
 <u>LIABILITIES AND FUND BALANCE</u>				
Liabilities	\$ 0	0	0	0
Fund Balance:				
Restricted	952,837	13,583	407,190	1,373,610
Total Liabilities and Fund Balance	\$ 952,837	13,583	407,190	1,373,610

DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER COUNTY  
 COMBINING STATEMENT OF REVENUES COLLECTED, EXPENDITURES AND CHANGES  
 IN CASH FUND BALANCES - ALL CAPITAL PROJECTS FUNDS - REGULATORY BASIS  
 FOR THE YEAR ENDED JUNE 30, 2022

	BUILDING BOND (31) FUND	BUILDING BOND (32) FUND	COMBINED PURPOSE BOND (33) FUND	TOTAL
Revenues Collected	\$ 0	0	0	0
Expenditures:				
Facilities acquisition & construction services	895,650	0	219,600	1,115,250
Excess of revenues collected over (under) expenditures before other financing sources (uses)	(895,650)	0	(219,600)	(1,115,250)
Other financing sources (uses):				
Bond proceeds	910,000	0	230,000	1,140,000
Excess of revenues collected over (under) expenditures	14,350	0	10,400	24,750
Cash fund balances, beginning of year	938,487	13,583	396,790	1,348,860
Cash fund balances, end of year	\$ 952,837	13,583	407,190	1,373,610

DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER COUNTY  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -  
 ALL AGENCY FUNDS - REGULATORY BASIS  
 FOR THE YEAR ENDED JUNE 30, 2022

	<u>BALANCE</u> 7-01-21	<u>ADDITIONS</u>	<u>TRANSFERS/ ADJUSTMENTS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> 6-30-22
<b><u>ASSETS</u></b>					
Cash	\$ 298,727	685,464	0	638,255	345,936
<b><u>LIABILITIES</u></b>					
Funds held for school organizations:					
Annual	\$ 55,532	14,385		38,061	31,856
Athletic fund	447	61,752		45,644	16,555
Band fund	3,296	3,257		5,920	633
Student services	143	8,294		4,979	3,458
Cheerleading - Junior High school	1,701	5,340		4,315	2,726
Cheerleading - High school	5,796	11,763		6,313	11,246
Girls softball	19,585	13,239		27,058	5,766
General activities fund	0	71,986		71,986	0
Concessions	1,273	2,516		1,975	1,814
Earned interest	9,295	4,857		4,836	9,316
Football booster club	7,597	7,542		4,595	10,544
Lower elementary	28,446	70,378		68,011	30,813
F.C.A.	1,185	0		0	1,185
F.F.A.	6,934	51,618		53,285	5,267
F.C.C.L.A.	0	793		430	363
Freshman class	1,165	0		0	1,165
High school	10,932	22,302		28,040	5,194
Indian parent committee	325	1		174	152
Junior high	15,541	24,526		24,072	15,995
Cross country track	1,993	2,612		3,594	1,011
Junior class	3,342	9,225		9,392	3,175
Spec Ed	2,169	0		0	2,169
Elementary library	3,542	250		1,933	1,859
Music	12,120	18,920		16,791	14,249
Basketball booster club	11,111	40,078		37,017	14,172
S.A.D.D.	401	0		0	401
Senior class	6,033	8,965		8,175	6,823
Track account	5,524	14,610		12,895	7,239
Sophomore class	300	0		0	300
Spanish class	34	0		0	34
Upper elementary	19,022	54,352		41,057	32,317
H.S. student council	5,669	10,043		9,809	5,903
Softball booster club	6,600	2,812		6,115	3,297
Baseball booster club	3,742	7,526		3,048	8,220

DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER COUNTY  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -  
 ALL AGENCY FUNDS - REGULATORY BASIS  
 FOR THE YEAR ENDED JUNE 30, 2022

	BALANCE 7-01-21	ADDITIONS	TRANSFERS/ ADJUSTMENTS	DEDUCTIONS	BALANCE 6-30-22
Academic team	\$ 4,413	13,460		17,368	505
Band booster club	419	1,320		424	1,315
HS Library	3,293	93		1,933	1,453
Powerlifting	2,970	24,982		11,139	16,813
Baseball	9,091	6,155		9,657	5,589
Girls Basketball	2,303	7,713		5,564	4,452
Football	7,618	22,979		20,021	10,576
Art	1,084	0		0	1,084
Boys Basketball	457	5,030		744	4,743
Learning zone	0	1,893		580	1,313
Booster club	0	26,158		9,010	17,148
Daycare	0	13,000		167	12,833
Science	328	0		0	328
Dickson Foundation Grants	0	4,976		4,727	249
Project Circle	6,282	0		6,282	0
Golf	6,248	7,016		6,631	6,633
AG Boosters	2,824	5,747		4,488	4,083
Elementary music	60	1,000		0	1,060
Gifted and talented	542	0		0	542
<b>Total Liabilities</b>	<b>\$ 298,727</b>	<b>685,464</b>	<b>0</b>	<b>638,255</b>	<b>345,936</b>

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



DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER COUNTY  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - REGULATORY BASIS  
 FOR THE YEAR ENDED JUNE 30, 2022

<u>Federal Grantor / Pass Through Grantor / Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>Total Expenditures</u>
<b><u>U.S. DEPARTMENT OF EDUCATION -</u></b>		
<b><u>Direct Programs:</u></b>		
Indian Education	84.060	\$ 83,445
Impact Aid	84.041	825
Impact Aid Disabled	84.041	1,988
Total Impact Aid (84.041)		2,813
<b><u>Passed Through State Department of Education:</u></b>		
Title I, Basic Program	84.010	298,827
Title II Part A	84.367	24,924
IDEA-B, Flow Through	84.027	265,398
IDEA-B, Professional Development OSDE	84.027	1,400
IDEA-B, Professional Development District	84.027	3,552
IDEA-B, Preschool	84.173	5,878
Total IDEA-B Special Education Cluster		276,228
Title V Part B	84.358	26,226
Title IV Part A	84.424	19,422
Title IV Part F	84.184	14,900
<b>*COVID-19 - Education Stabilization Fund (ESF)</b>		
ESSER II	84.425D	631,807
ARP - ESSER III	84.425U	740,945
ARP - ESSER Homeless I	84.425U	14,971
ARP - ESSER Counselor Corps Grant	84.425U	32,000
Total COVID-19 - ESF		1,419,723
<b><u>U.S. DEPARTMENT OF AGRICULTURE -</u></b>		
<b><u>Passed Through State Department of Education:</u></b>		
<b>Child Nutrition Programs</b>		
School Breakfast Program	10.553	136,743
National School Lunch Program	10.555	486,370
Supply Chain Assistance	10.555	31,482
Non-cash assistance - Commodities	10.555	57,567
Total Child Nutrition Program Cluster		712,162
<b>Other Child Nutrition Programs:</b>		
P-EBT	10.649	614
<b><u>Other Federal Assistance:</u></b>		
Johnson O'Malley	15.130	11,653
Johnson O'Malley Supplemental	15.130	1,948
Total Johnson O'Malley (15.130)		13,601
Job Training - OJT	84.126	919
<b>Total Federal Assistance</b>		<b>\$ 2,893,804</b>

**\* Major programs**

**Note 1 - Basis of Presentation** - The accompanying schedule of expenditures of federal awards includes the federal activity of the District for the year ended June 30, 2022. This information is presented in accordance with the 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). Because the schedule presents only a selected portion of the operations of the District, it is not intended and does not present the financial position, changes in net assets, or cash flows of the District.

**Note 2 - Summary of Significant Accounting Policies** - Expenditures reported on this schedule are reported on the regulatory basis of accounting consistent with the preparation of the combined financial statements except as noted in Note 3. Expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The District has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance. None of the federal programs include any loan programs, loan guarantee programs, and has no sub-recipients.

**Note 3 - Non-Monetary Assistance** - Commodities received by the District were of a non-monetary nature.

DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER 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	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 -</b>							
<b>Direct Programs:</b>							
Indian Education	84.060	561	\$ 83,445		83,445	83,445	
Indian Education 2020-21	84.041	799		5,309	5,309		
Impact Aid	84.041	591	32,935		32,935	825	
Impact Aid Disabled	84.041	592	3,956		3,956	1,988	
Sub Total			120,336	5,309	125,645	86,258	0
<b>Passed Through State Department of Education:</b>							
Title I, Basic Program	84.010	511	298,827		293,827	298,827	5,000
Title II Part A	84.367	541	24,924		24,924	24,924	
ARP IDEA-B Flow Through COVID-19	84.027X	628	65,111				
ARP IDEA-B Preschool COVID-19	84.027X	643	3,694				
IDEA-B, Flow Through	84.027	621	265,398		265,398	265,398	
IDEA-B, Professional Development OSDE	84.027	613	1,400		1,400	1,400	
IDEA-B, Professional Development District	84.027	615	3,552		3,552	3,552	
IDEA-B, Preschool	84.173	641	5,878		5,878	5,878	
Title V Part B	84.358	587	26,226		26,226	26,226	
Title IV Part A	84.424	552	19,422		19,422	19,422	
Title IV Part F	84.184	712	14,900		6,900	14,900	8,000
Title IV Part F 2020-21	84.184	799		1,091	1,091		
<b>COVID-19 - Education Stabilization Fund (ESF)</b>							
ESSER II	84.425D	793	631,807		631,807	631,807	
ESSER II 2020-21	84.425D	799		78,428	78,428		
ARP - ESSER III	84.425U	795	2,096,029		291,562	740,945	449,383
ARP - ESSER Homeless I	84.425U	796	57,685		14,971	14,971	
ARP - ESSER Homeless II	84.425U	797	10,330				
ARP - ESSER Counselor Corps Grant	84.425U	722	32,000		32,000	32,000	
Total COVID-19 - ESF			2,827,851	78,428	1,048,768	1,419,723	449,383
Sub Total			3,557,183	79,519	1,697,386	2,080,250	462,383
<b>U.S. DEPARTMENT OF AGRICULTURE -</b>							
<b>Passed Through State Department of Education:</b>							
<b>Child Nutrition Programs</b>							
School Breakfast Program	10.553	764			136,743	136,743	
National School Lunch Program	10.555	763			486,370	486,370	
Supply Chain Assistance	10.555	759			31,482	31,482	
Non-cash assistance - Commodities	10.555	N/A			57,567	57,567	
Sub Total					712,162	712,162	
<b>Other Child Nutrition Programs:</b>							
P-EBT	10.649	760			614	614	
Sub Total					614	614	
<b>Other Federal Assistance:</b>							
Johnson O'Malley	15.130	563	16,215		11,653	11,653	
Johnson O'Malley Supplemental	15.130	565	2,000			1,948	
Johnson O'Malley 2019-20	15.130	799		6,136	6,136		
Job Training - OJT	84.126	456	919		325	919	
Project Aware	93.243	782		3,000	3,000		
Sub Total			19,134	9,136	21,114	14,520	0
<b>Total Federal Assistance</b>			\$ 3,696,653	93,964	2,556,921	2,893,804	462,383

**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.

DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER COUNTY  
STATEMENT OF STATUTORY, FIDELITY AND HONESTY BONDS  
FOR THE YEAR ENDED JUNE 30, 2022

BONDING COMPANY	POSITION COVERED	BOND NUMBER	COVERAGE AMOUNT	EFFECTIVE DATES	
CNA Surety - Westen Surety Company	Treasurer	68522029	\$ 100,000	8/09/21 - 8/09/22	
	Superintendent	15323935	100,000	7/01/21 - 7/01/22	
	Encumbrance Clerk	71309632	1,000	7/01/21 - 7/01/22	
	Building Fund Clerk	71309632	1,000	7/01/21 - 7/01/22	
	Bond Fund Clerk	71309632	1,000	7/01/21 - 7/01/22	
	Position Schedule Bond:				
	Superintendent	18127518	2,000	7/01/21 - 7/01/22	
	Activity Fund Custodian	18127518	2,000	7/01/21 - 7/01/22	
	Treasurer	18127518	2,000	7/01/21 - 7/01/22	
	Encumbrance Clerk	18127518	2,000	7/01/21 - 7/01/22	
	Payroll Clerk	18127518	2,000	7/01/21 - 7/01/22	
	Minutes Clerk	18127518	2,000	7/01/21 - 7/01/22	

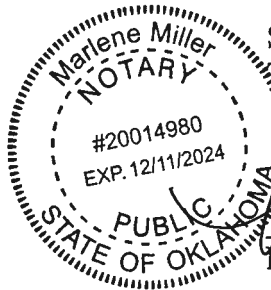
DICKSON INDEPENDENT SCHOOL DISTRICT NO. 77, CARTER COUNTY  
SCHEDULE OF ACCOUNTANT'S PROFESSIONAL LIABILITY INSURANCE  
AFFIDAVIT  
JULY 1, 2021 TO JUNE 30, 2022

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 Dickson Public Schools 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 16<sup>th</sup> day of December, 2022

  
Notary Public (or Clerk or Judge)

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



**BLEDSON, 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

December 16, 2022

Mr. Jeffery Colclasure, Supt.  
 Dickson Public Schools  
 Route 4, Box 122  
 Ardmore, Oklahoma 73401-9427

Dear Mr. Colclasure:

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.

**The following section contains the observations relayed to management that are control deficiencies, which we feel need to be communicated to you so appropriate action may be taken to correct these deficiencies. These items are not included in your audit report, as they are not considered material or immaterial in nature. They are simply observations of some minor findings that could evolve into immaterial or material findings if not addressed or corrected.**

Reserved Encumbrances

We observed that the encumbrances reserved at June 30, 2022 in each of the District's funds were overstated. At the date of our audit, the following funds had reserves outstanding:

Fund	Encumbrances Reserved at of 6/30/22	Checks Issued as of 12/16/22	Unused Reserves
11	\$ 564,323.85	\$ 393,478.03	\$ 170,845.82
21	43,940.34	26,006.42	17,933.92
25	111,284.93	2,211.61	109,073.32

We recommend that blanket purchase orders, as well as individual purchase orders, be adjusted at year-end to accurately reflect the remaining bills owed for goods and services. This will ensure that the budgeted reserves are not overstated.

## Federal Programs

We observed a few instances where the amounts claimed for reimbursement did not match the actual amounts coded to that project code, according to OCAS reports. Most of the differences were small amounts, which were immaterial to the overall program amounts. However, it is possible that the District will be contacted by the State Department of Education about these variances, and they will require a written response regarding these differences. The amounts that will be included on the Schedule of Expenditures of Federal Awards (SEFA) in your audit report will be the actual amounts expended and claimed, not necessarily the amounts according to OCAS.

<u>Project</u>	<u>SEFA</u>	<u>OCAS +IDC</u>	<u>Result</u>
561	83,445	83,240	Exp. under coded
621	265,398	258,029	Exp. under coded
760	614	0	Program not coded
761	0	614	Coded under wrong program
563	11,653	19,594	Exp. over coded
782	0	339	Exp. over coded

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